

FBIS

DAILY REPORT

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CARTAGENA CONFERENCE ISSUES 'CONSENSUS' DOCUMENT

PA230223 Hamburg DPA in Spanish 0102 GMT 23 Jun 84

[Excerpts] Cartagena, 22 Jun (DPA) -- The foreign and finance ministers of 11 of the Latin American nations with the largest foreign debts tonight signed the "Consensus of Cartagena," in which they reiterate that the region is undergoing an unprecedented crisis characterized by a severe decrease in the per capita product, which could lead to extremely grave political and social consequences.

The text of the final document or "Consensus of Cartagena" issued at the end of the meeting of foreign and finance ministers states:

1. The foreign ministers and the ministers in charge of the financial sectors of Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Mexico, Peru, the Dominican Republic, Uruguay, and Venezuela, met in Cartagena on 21 and 22 June 1984 to continue examining the international economic situation, especially with regard to the foreign debt problems and the obstacles that this produces in the reactivation of their countries' economic development, and to propose initiatives and appropriate forms of action that will result in satisfactory solutions for all interested parties.
2. They reiterated the urgency of the proposals and agreements included in the relevant documents and declarations signed by Latin American countries, especially in the Quito Declaration and Action Plan, the 19 May joint declaration of presidents, and the letter sent to the heads of state and governments at the London meeting, which constituted important antecedents of the present meeting, whose realization was made necessary by the intensification of the difficulties that the international economic situation has produced in Latin America.
3. They welcomed President Belisario Betancur's remarks, considering them a fundamental contribution to the discussions in this conference.
4. They pointed out that the region is undergoing an unprecedented crisis characterized by a severe decrease in the per capita product, which is now at the levels of a decade ago, and which has provoked an unemployment rate that already affects more than one-fourth of its economically active population and a substantial drop in real wages that could bring grave political and social consequences.
5. They stressed that to a great extent, the crisis is due to external factors outside the control of the Latin American countries, which from 1980 to 1983 provoked a decrease in exports and produced the forced contraction of imports with grave consequences for the development process. The international recession in that period, the stagnation of the economies of the industrialized countries, and the deterioration of the terms of trade and the reemergence of restrictive and protectionist trade policies in the industrialized nations provoked grave retrogressions in the volume and structure of the exports of the region.
6. They insisted in pointing out that those factors, along with the repeated increases in the interest rates, outline a grave and somber panorama of foreign indebtedness for the region's countries. The accumulated sum of Latin America's foreign debt is more than half of its gross internal product, or three times its annual exports. The debt service payments have registered an increase equivalent to almost double the increase of the exports, and in the last 8 years the payment of interest represented more than \$173 billion. Each percentage point that the interest rates increase represents for Latin America an additional expenditure of \$2.5 billion a year in foreign exchange. The increase in the interest rates this year is equivalent to a month of exports of the region.

The most negative result of this situation is that the region has become a net exporter of its financial resources. It is estimated that this loss amounted to approximately \$30 billion in 1983. Paradoxically, while there are signs of economic recovery in most of the industrial countries, Latin America is forced to slow down and in some cases to paralyze its development process.

7. They stated that to a great extent the Latin American debt problem is due to drastic changes in the conditions in which the credits were originally contracted, especially with regard to the liquidity and the interest rates, the degree of participation of the multilateral credit organizations in the structure of the debt, and in the prospects for economic growth. These changes, which originated in the industrial countries, and which were completely outside the region's decisionmaking, show the joint responsibility of debtors and creditors.
8. They reiterated their intention, fully shown by their countries, to fulfill their pledges regarding their external debts, and their determination to continue their efforts for a monetary, fiscal, and exchange reorganization of their economies in order to renew their economic development. In no case will this mean disregarding their governments' duty to guarantee their peoples' welfare, and social and political stability.
9. They reaffirmed that these efforts have demanded large sacrifices in the Latin American population's standard of living, which in some cases is reaching extreme limits, and reaffirmed their governments' determination not to be rushed into a situation of forced bankruptcy or an extended economic stalemate. In this context, they reiterated the need for a political review at the international level of the matter of the debt, since it has clear political and social consequences, and only the united wills of the debtor and creditor countries' governments will allow them to modify the current conditions that prevent the achievement of adequate and lasting solutions.
10. They reiterated that each country is responsible for the negotiation of its own external debt. Likewise, they warned that recent experiences prove that the problem of the developing countries' external debts cannot be resolved solely through a dialogue with the banks, the isolated action of multilateral financial organizations, or regular market activities. Therefore, the definition and acceptance of general reorganization and financing guidelines or policies, which serve as a reference framework for each country's individual negotiations, is deemed necessary. The use of these general guidelines should be adapted to each country's specific circumstances, given the diversity of situations in their external debts and the measures necessary to restore the development conditions for each particular economy.
11. They agreed that this reference framework must bear in mind the joint responsibilities of the parties involved in the search for a permanent solution to the problem, such as the governments of the debtor and creditor countries, international financial organizations, and international banks.
12. They also agreed that this framework must ensure an equitable distribution of the economic reorganization's costs. The process of adjustment must be symmetrical and equitable so that it can be efficient. The world economy's sustained expansion requires changes in the economic policies of certain industrialized countries. They also pointed out the need for the urgent adoption by these countries of policies to continuously stimulate their respective economies, leaving room for the reduction of their interest rates, and without affecting their anti-inflation objectives.
13. They stressed that there is a close relationship among the debt problems, financing, and trade to strengthen the regional countries' ability to pay by stimulating economic growth through an increase in exports, the resuming of financial flow, and maintaining adequate levels in the ability to export.

14. In addition, they pointed out the urgent need for the industrial countries to adopt measures and policies to facilitate the access of developing countries' exports to their markets. They also indicated the urgent need for the industrial countries to create conditions that allow for the resuming of financial flow and a continued and significant alleviation of debt interests, without which the Latin American countries' efforts toward an economic reorganization would be null and void.

15. The foreign and finance ministers said that direct foreign investment can play a complementary role because of its capital contribution and technology transfer, the jobs created, and the exports generated, provided this investment abides by the area countries' policies and legislation on the matter. However, the contribution of this direct foreign investment -- in terms of foreign exchange -- to the solution of the international imbalance is limited; and for this reason it could not constitute a determining factor in the solution of the foreign debt problems.

16. The foreign and finance ministers received well the Colombian president's urging to create an international financing system that allows for the vigorous growth of developing countries in order for them to raise their peoples' standard of living. Among others, the fundamental ideas that have served as a basis for this consensus should be taken into consideration for such a system.

17. They determined to urge the industrial countries' governments and international banks to give proper attention to the proposals presented in the Consensus of Cartagena to find a stable, in-depth solution to the problems of Latin America's foreign debt.

Proposals

18. Based on what was discussed in this consensus, the foreign ministers and ministers in charge of the financial sectors decided to propose:

A) The adoption of measures that lead to a sharp and immediate reduction of the nominal and real interest rates in international markets. This must represent the basic objective toward which the governments of industrialized countries direct their best efforts.

B) That international banks use reference rates that in no case surpass the real costs of revenues in the market, and are not based on already established rates, in all their renegotiations and the operations for new credits.

C) The reduction to a minimum of operations costs and other expenses, as well as the elimination of commissions, and the abolition of interest for delayed payments during renegotiation periods.

D) The use of temporary mechanisms to soften the impact of high interest rates, such as a compensation fund [ventanilla] in the IMF, official soft loans, and the extension of payment dates; however, they warned that these mechanisms have only a limited use because they simply defer the problem.

E) The renegotiation operations should take into account the characteristics of the debt and each country's economic recovery capacity and payment ability. Terms and grace periods must be substantially improved. When it is advisable for interested debtor countries, the bases for negotiation may be extended to multiannual periods and include the capitalization of interests.

F) That in the case of countries with extreme balance of payments problems clauses be considered to permit the postponement of payment of parts of the interests which -- without incurring additional interests -- would be paid with a specific proportion of revenues stemming from an increase of exports.

G) That the renegotiation of external debts should not compromise export revenues beyond reasonable percentages compatible with adequate levels of the internal production activities, taking into consideration each country's economic characteristics.

H) Elimination of the creditors' demand for transferring to the public sector, in an indiscriminate and involuntary manner, the commercial risk of the private sector.

I) Elimination of the regulatory rigidities of some international financial centers that automatically punish the credit portfolios of developing countries and prevent the granting of new financing, and recognition of the special quality that the sovereign countries have as debtors in the international financial community and adapting the existing regulations to that quality.

J) Reactivation of the credit flow toward the debtor countries that in many cases has been virtually suspended, and the urgent resumption of the granting of short-term credits to finance trade and other necessary operations for those countries.

K) The allocation of a larger volume of resources and strengthening of the credit capacity of the international financial organizations such as the IMF, the World Bank, and the IDB.

L) A new allocation of special drawing rights in the IMF compatible with the liquidity needs of the developing countries, an increase of the time limits of their adjustment programs, and an expansion of the access to their resources.

M) Revision of the criteria used by the IMF to set conditions in the following aspects:

I. Priority should be given to the increase of production and employment, bearing in mind the specific economic, social, and political circumstances of each country.

II. The establishment of the fiscal and balance of payments goals or their modification must exclude the effects of the increase in the international interest rates above what was contemplated in the stabilization programs so as not to restrict public investment and imports beyond reasonable levels.

III. A modification of the monetary goals agreed upon should be effected in order to absorb unforeseen rises in the inflation rate and prevent a strangling that is contrary to the stabilization objectives sought.

N) The utilization of World Bank and IDB resources should be accelerated and increased through mechanisms such as:

I. An increase in the proportion of program loans and the percentage of the cost of projects that can be financed.

II. Accelerating the credit disbursements already contracted for.

III. A temporary and significant reduction of the offsetting contributions [contrapartida] in local currency.

IV. The elimination of the order of preference of debtors [financiera].

O) Debtor countries should be granted much longer terms and even more preferential interest rates in the renegotiation of their debts with governments and official credit organizations to exports from the industrial countries. [sentence as received] These debtor countries should also be granted without delay new credit lines in preferential terms and sufficient amounts to prevent an interruption in their imports.

P) Immediate attention should be given to the demands of developing countries regarding the stabilization of their products' prices at profitable levels in such a manner that the considerable deterioration of the countries' trade terms be counteracted. This, among other things, seriously jeopardizes the countries' ability to pay their foreign debts.

Q) The rapid elimination of tariff and nontariff barriers of industrial countries that limit the access of developing countries' products to their markets, both for traditional products and industrial products, including high technology.

Consultations and Follow-up

19. In order to carry out the outlines and proposals expressed in this consensus, advocate a dialogue with creditor countries, keep the international economic situation constantly under surveillance, and evaluate the enforcement of the proposed initiatives, the foreign and finance ministers determined to maintain a regional consultation and follow-up mechanism. This mechanism will be open to the participation of the other countries of the region.

20. They agreed that this mechanism of consultation and follow-up will serve:

I. To promote in the regional area the exchange of information and experiences, as well as support for requests for technical assistance on the handling of the debt, financing, and other related matters.

II. To promote in the extraregional sphere contacts with developing countries.

III. To promote a dialogue with governments of creditor countries and, under appropriate conditions, with multilateral financial organizations and international banks.

21. They stated that the need for this dialogue is expressed in the contents of the 5 June letter to the participants of the London summit, in which it was stressed that "it is urgent that the international community tackle in a comprehensive and coherent manner the problems of the world's economy, recognizing the interrelations that tie them together, and find satisfactory solutions in an interdependent world." It was stressed that "the urgent need to adopt coordinated actions is evident, especially in matters of indebtedness," for which "a constructive dialogue between creditor and debtor countries to identify specific measures to alleviate the burden of the foreign debt must be carried out, taking into consideration the interests of all the parties involved."

In addition, this dialogue is encouraged by the statements of the 9 June London communique, which recognizes the interdependence of industrialized and developing countries, admits that the high and growing levels of the interest rates may aggravate the problems of debtor countries, reaffirms the decision to conduct the relations with these debtor countries within a spirit of good will and cooperation, and announces a series of actions in which the governments that met in London grant special importance to the processes for the renegotiation of the debt and to monetary, financing, and trade matters.

22. They agreed to fully use existing forums to discuss and analyze the foreign debt, particularly at the Development Committee of the International Bank for Reconstruction and Development [IBRD], in which they will propose the establishment of a "working group" for this matter.

23. They expressed their willingness to hold a meeting with governments of industrialized countries for a joint reflection on the multiple aspects and the economic, social, and political consequences of the Latin American foreign debt, bearing in mind the need to find a solution to the excessive burden it represents and to create favorable conditions for reactivating the development of indebted countries and a sustained expansion of the world's economy and trade, safeguarding the interests of all the parties involved.

24. They agreed to hold a new meeting to evaluate the actions that stem from the Consensus of Cartagena, in regard to the development of the debt, financing, and other matters. This meeting will be held in Buenos Aires before the next annual meeting of the IMF and the IBRD, or at any time an extraordinary development might require it. To this effect, the host country will act as the temporary secretariat.

Issued in Cartagena de Indias on 22 June 1984

FURTHER REPORTAGE ON CARTAGENA CONFERENCE

Study on Finances Released

FL221849 Mexico City NOTIMEX in Spanish 0050 GMT 22 Jun 84

[By Mariela Chazaro and Agustin Pradillo]

[Text] Cartagena, 21 Jun (NOTIMEX) -- According to a study released at the debtor nations meeting being held here, if the recessive situation and social instability that affect Latin American nations continue, there is the risk that the existing democratic governments may be hurt.

The study, which is entitled "Cartagena Ministerial Meeting on Finances," was issued on a restricted basis. It states that Latin America is not bankrupt or incapable of paying its debt, but instead has natural resources that place it among the world's best endowed regions. In the document, the 11 participating nations state that, to the degree that we are allowed to grow, the whole system will grow, but to the degree that we are suffocated, the world economy will suffocate.

The study states that the Latin American economic crisis has had a dramatic effect on the social well-being of its peoples, who have experienced a drop in their quality of life and levels of subsistence, as manifested by high inflation and unemployment rates.

Furthermore, the study recognizes that the crisis is no longer circumstantial, but is due instead to structural characteristics of the international financial and commercial system and therefore requires long- and short-range measures which will create adequate conditions for regional development.

The study points out that most of the countries in the region have had to make painful efforts to adjust and have fallen into deep recession for which reason it is now the turn of the developed countries, the private international banking institutions, and the multilateral financial organizations to accept their joint responsibility in dealing with the Latin American foreign debt problem.

The study recommends that, to overcome the imbalance, the schedule of payments be stretched out so that each country can adopt an economic policy that will not be gravely injurious to the well-being of its people.

The document stresses the fact that the debtor nations must not group together to renegotiate the loans they freely accepted because the needs, capacity, and policies of each nation are different. It also stresses the fact that it is escapist and utopian to claim that Latin America made a mistake in pursuing its development ambitiously and decisively and that it should, therefore, renounce development until its debts are paid.

The nations attending the meeting noted the need for adopting measures to reform the international monetary and financial system, both to strengthen it and to encourage a qualitative change while promoting a concept of fairness.

The document adds that it would not be irrelevant to think in terms of a basic international monetary reorganization leading to a solution that would be economically, financially, and politically viable.

The document is divided into 16 basic points and its approval by the ministers attending the so-called debtors' summit is expected. It expresses the opinion that only through a joint responsible solution to the foreign debt problem will the stability, growth, solvency, and efficiency of the financial system be preserved, especially as regards commercial banking, which has contributed important resources to the development of the region.

In the section of the document dealing with general bases for the joint declaration, the statement is made that, in 1981, a crisis began that had no precedent in Latin America and that this crisis has worsened for the 3d consecutive year, so that it is now worse than the great depression of the 1930's.

The document emphasizes that, despite the joint and individual pronouncements of Latin American nations, the limitations and difficulties in North-South trade have increased and worsened as the world crisis has deepened.

The representatives of the attending nations (Mexico, Brazil, Argentina, Peru, Venezuela, Ecuador, Bolivia, Chile, Uruguay, Dominican Republic, and Colombia) agree that an adequate net flow of financial resources must be assured so that the process of Latin American economic and social development will be guaranteed. To achieve this, it is necessary to reestablish short-range lines of commercial credit for the financing of imports, which have been severely reduced with the result that the sustained growth of production facilities has been hindered.

Grinspun on Argentine Debt

PY222032 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1638 GMT 22 Jun 84

[By special correspondent]

[Text] Cartagena, 22 Jun (NA) -- Argentine Economy Minister Bernardo Grinspun today confirmed here that Argentina has paid \$100 million to creditor banks for overdue interest on the foreign debt. Grinspun stressed that Argentina "is not so much behind with the payments that it would imply ammoratorium," adding: "Our country will be able to meet its foreign commitments." The Argentine minister made these statements here before starting the second day of debates at the meeting of 11 Latin American countries on the foreign debt. He reiterated the possibility of traveling from Cartagena to Washington to meet representatives of the foreign creditor banks and of the IMF. Regarding the payment of interest on the foreign debt, he confirmed that Argentina has paid \$100 million to the creditor banks. Grainspun added that during the last few months, \$3.6 billion were paid for overdue interest. He emphasized that the Argentine delegation in the United States is in the "final stages" of the negotiation over the foreign debt with the creditor banks. Asked if the Argentine Government would accept the IMF recommendations, he categorically answered: "We do not discuss our economic policy, neither with the IMF nor with the creditor banks."

Caputo 'Satisfied' With Meeting

PY222356 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2245 GMT 22 Jun 84

[By NOTICIAS ARGENTINAS special correspondent]

[Text] Cartagena, 22 Jun (NA) -- Foreign Minister Dante Caputo stated here today that "Argentina is fully satisfied" with the results of the meeting held by the 11 most indebted Latin American countries because "all our countries' expectations on the Cartagena meeting have been fulfilled." Caputo added that "our preliminary evaluation is very positive because the process that started with the Quito Declaration has brought changes in our approach to what we, Latin American countries, say and want to do together." Caputo denied any confrontations among the delegations of the different countries attending the meeting and pointed out that one can attend an international meeting "to talk to the wall and one will receive no answer or to take short steps in order to change the true situations of our countries." The head of San Martin Palace stated that the Cartagena meeting "is important because next Monday there will be something different from what there is today" regarding the possibilities of obtaining better terms for the payment of the regional countries' foreign debt.

Caputo made these statements during a break of the ministers' meeting shortly before the joint document was signed by Argentina, Brazil, Chile, Bolivia, Mexico, the Dominican Republic, Peru, and Venezuela. The foreign minister said that we ministers, "who are attending the Cartagena meeting, are not a group of bureaucrats who have come to make bombastic statements but rather are representatives of our people who are suffering because of their poor living standards." Caputo admitted that "the economies of our countries must be reorganized but not at the expense of the lower-income sectors that have been the ones that have suffered most during these past few years."

He reasserted that the Latin American countries must negotiate the rescheduling of their foreign debts with the creditor countries in a "bilateral" manner because of the different deadlines for payment of their debts and because of the difference of their economies. However, he added, "we should have a greater political will to modify the negotiations parameters" that are imposed by the international financial organizations. Caputo maintained that "the renegotiation parameters should be different because the true situation of our countries has ceased to be the traditional situation." The foreign minister ended his statements by quoting [former] President Hipolito Yrigoyen in the sense that "politics should serve to take concrete steps toward a goal."

Colombia's Gutierrez on U.S. Deficit

PA240322 Bogota EL TIEMPO in Spanish 22 Jun 84 p 8-A

[By Jose Suarez]

[Excerpts] Cartagena -- Colombia Finance Minister Edgar Gutierrez Castro told the foreign press here that the huge U.S. fiscal deficit is responsible for the Latin American crisis.

He explained that the Reagan administration's budget imbalance has caused U.S. banks to increase their interest rates, which is affecting the amount and cost of Latin America's foreign debt and at the same time sucking funds from Latin American countries, depriving them of resources they need for their development.

He said that Latin America must have control over its economy. "It is necessary that we explain that every effort made to bring the Latin American countries together, so that they can discuss their financing and foreign debt interest problems, is made with the idea that Latin America must discipline itself and present definite signs of this discipline, in order to expect any significant support from the community of industrialized countries as a reply to this discipline," he said.

Gutierrez Castro made a number of statements in this city in relation to the Latin American countries' meeting. He said that this continent "is not insolvent." It is going through "a very difficult time because of a lack of liquidity, but not because it is insolvent."

Gutierrez Castro is in favor of giving support to institutions like the IMF, the World Bank, and the Inter-American Development Bank. "I do not think that we are in Cartagena to change the structure of the world's institutions. This is one in a series of meetings of a progressive process to find a solid institutional solution. Colombia does not have a foreign debt problem. Our debt is moderate. Colombia was careful in going into debt. We cannot say the same about other countries that in past years rapidly increased their debts and have serious problems today because of it. Colombia could have well stayed out of this, but that is not what we want. Today we are in good standing, and we want to reaffirm Latin American solidarity. We want to share Latin America's problem. Our Latin American brothers' welfare is our concern. We cannot see a developing world having a complete imbalance. We want the Latin American economy to have a harmonious development. Today it is they who are affected; tomorrow we could be affected."

Gutierrez Castro said that the foreign debt "is a major problem of the international economy." "We need economically and politically feasible solutions. For a solution to be politically feasible, a country cannot be indefinitely held back." "If we want to preserve democratic regimes in Latin America, we must have ways to solve the debt problem without sacrificing the region's possibilities to grow," he said.

Chilean Ministers Cited

PY221615 Santiago Domestic Service in Spanish 1100 GMT 22 Jun 84

[Excerpts] The participants in the meeting of Latin American ministers of foreign affairs and finance are putting the finishing touches on the final document. Chilean Economy Minister Modesto Collados has stated that Chile will not support the creation of a debtors club. However, he said he is in favor of restricting payments on the foreign debts of Latin American countries to 25 percent of their exports. Chilean Foreign Minister Jaime del Valle said that a very important political document will be drawn up during the meeting in addition to some technical guidelines, which will have very positive results.

Collados on Final Document

PY231422 Santiago Domestic Service in Spanish 1100 GMT 23 Jun 84

[Text] Economy Minister Modesto Collados stated at the end of the Cartagena conference of the 11 most indebted countries of the region, that the Cartagena Consensus is very similar to what the Chilean delegation had in mind when it came here. Collados said that the meeting of foreign and finance ministers from those nations showed the good will of all participants, and termed the results of the meeting as very favorable. Minister Collados added that there was total consensus, which is the reason for the name of the declaration. He said that, naturally, none of the countries have exactly expressed all their viewpoints, but that some have made concessions in favor of the points of view of others. Foreign Minister Jaime del Valle headed the Chilean delegation to Cartagena, together with Minister Collados. Both ministers will return to Santiago this afternoon.

Del Valle on U.S. Trade Measures

PY221928 Santiago Domestic Service in Spanish 1730 GMT 22 Jun 84

[Excerpt] Foreign Minister Jaime del Valle has said that the discriminatory U.S. trade measures are making it difficult for Chile to pay its foreign debt. He made this statement at the summit meeting in Cartagena, Colombia. He explained that this is so because the United States is causing a decrease in export income from Chilean copper.

He also said that Chile is complying strictly with its financial obligations, adding that the country is being subjected to selective discriminatory measures such as the decision of the U.S. International Trade Commission, which has set quotas for copper imports. He added that the protectionism of the industrialized countries is one of the factors preventing Latin American countries from paying their very high foreign debt, which is estimated at \$350 billion, because their export income has been reduced.

Galveas on Brazilian Debt

PY231209 Brasilia Domestic Service in Portuguese 2200 GMT 22 Jun 84

[Text] Today in Cartagena, Colombia, Brazilian Finance Minister Ernane Galveas stated that the Brazilian foreign debt is proportionally less per capita than that of other Latin American countries, if one takes into account the country's size, population, and production.

Galveas -- who is attending the Cartagena meeting -- added that, within the market's parameters, the international community has revealed interest in the Brazilian situation, which strengthens the belief that the understanding with the remaining countries will lead to developments reaching the desired results.

Ecuador To Continue Payments

PA231809 Quito Voz de los Andes in Spanish 1230 GMT 23 Jun 84

[Text] A report from Cartagena indicates that the Ecuadoran Government has denied that it intends to suspend payment on its foreign debt to international banks. The report quotes Foreign Minister Luis Valencia Rodriguez and Finance Minister Pedro Pinto as saying that press reports to this effect are completely false. During a news conference, the two ministers said that Ecuador is up to date in servicing its foreign debt, in accordance with the refinancing schedules and agreements reached with international banks and institutions. The ministers added that the country will continue to fulfill its commitments and that the government has embarked upon a strict program of economic reorganization and stabilization.

Mexican Secretaries Comment

FL231655 Mexico City NOTIMEX in Spanish 0330 GMT 23 Jun 84

[Excerpt] Cartagena, Colombia, 22 Jun (NOTIMEX) -- Mexican Finance Secretary Jesus Silva Herzog and Foreign Secretary Bernardo Sepulveda Amor said today that the International Monetary Fund must gradually accept changes in its policies because of the serious social and economic problems that Latin America is suffering. At a press conference, the Mexican officials indicated that certain changes are already underway within the IMF because of the impact of the balance of payments crisis of the developing countries.

Expressing his views on the document known as the Cartagena Consensus, the finance secretary said that it shows seriousness in its analyses, evaluations, and diagnoses of problems, as well as maturity and objectivity on the part of the Latin American countries. He said: When I say seriousness, maturity, and objectivity, it is because the declaration does not seek easy solutions and insists on seeking in a coordinated manner the formulas that will extricate us from this problem, for which there are no magic formulas or simple mechanisms that will get us out of the critical situation overnight.

Referring to the IMF, he said that in the document, the 11 Latin American countries that are represented here have expressed to the IMF the urgency of mitigating the conditions, because on earlier occasions, we have confronted prescriptions that were too rigid and orthodox and did not take into account the uniqueness and needs, as well as the circumstances, of the countries where these formulas are applied.

Mexican Foreign Secretary Bernardo Sepulveda pointed out that there is no doubt that the Cartagena Consensus will evoke a positive reaction from the governments of the industrialized countries, the international financial institutions, and the international private banking sector, because now a critical awareness of financing the foreign debt and the region's foreign trade is taking shape. He said it is very evident that the 11 countries represented here have the same views on the nature of the problems they are facing and the solutions to those problems. The discussions went smoothly and a consensus was reached quickly.

Sepulveda Amor said that the document basically is composed of one large chapter having to do with the diagnosis of the economic situation facing Latin America, financial planning for the future, and new financing trends dealing with payments for already-contracted credits and the generation of currency through foreign trade.

Argentina Given Extension

PY232322 Buenos Aires DYN in Spanish 2130 GMT 23 Jun 84

[Text] Cartagena, 23 Jun (DYN) -- Brazil, Colombia, Mexico, and Venezuela have extended for 30 days the \$300-million loan they granted to Argentina last March for it to pay the interest due on its foreign debt. The U.S. Treasury, which originally also endorsed this operation, withdrew its support a few weeks ago when the U.S. Government decided to cancel its guarantee to exert pressure on Argentina to accept the IMF conditions concerning its foreign debt. The U.S. Decision was made a few hours after Argentine submitted to the IMF a letter of intent containing an economic program which had not been approved by the IMF experts who were visiting Argentina. Despite all these factors, the above four Latin American countries have renewed their loan to Argentina and have given it a new deadline for repaying its debt.

New Meeting Planned

PA242012 Bogota Cadena Radial Super in Spanish 1730 GMT 23 Jun 84

[Text] Cartagena -- Colombian Foreign Minister Rodrigo Lloreda Caicedo has confirmed that a general assembly of Latin American debtor countries will be held in Buenos Aires, Argentina, on 25 September. The meeting has been planned to give continuity to the consensus arrived at in Cartagena, Lloreda Caicedo explained.

[Begin Lloreda Caicedo recording] The plan is that the next meeting of foreign and economy ministers should be held prior to that meeting, so that we may have a basis for making judgments on the situation at hand and thus be able to act in accordance with the very important meetings sponsored by the international financial organizations.
[end recording]

The minister explained that the 11 countries will provide continuity and will continue to participate so that the conclusions reached in Cartagena [words indistinct].

GRINSPUN TO MEET IMF DIRECTOR IN WASHINGTON

PY232129 Buenos Aires TELAM in Spanish 2008 GMT 23 Jun 84

[By TELAM special correspondent]

[Text] Aboard the T-01 plane while overflying Peru, 23 Jun (TELAM) -- Argentine Economy Minister Bernardo Grinspun this morning left Cartagena, Colombia, for Washington to meet IMF Director Jacques de Larosiere. After attending the meeting of economy and foreign ministers held in Cartagena and now strengthened by the support stemming from the agreements reached there by Latin American debtor countries, Grinspun will continue his talks with IMF officials.

For his part, Foreign Minister Dante Caputo will return to Argentina tonight. He is scheduled to arrive at the military sector of the metropolitan airport at approximately 2130 [0030 GMT].

CGT 'BATTLE PLAN' CONDEMNED BY OFFICIALS

PY220316 Buenos Aires BUENOS AIRES HERALD in English 21 Jun 84 p 9

[Text] (DYN-NA) -- Labour Minister Juan Manuel Casella challenged the unified Confederation of Labour (CGT) to choose between a "battle plan or a plan for peace" and warned choosing the former would "distance (CGT) leaders from the working class," which "wants neither strikes nor battle plans but a peaceful path." Casella returned yesterday from the International Labour Organization (ILO) conference in Geneva to face, among others, an on-going 12-day strike by university employees and a 48-hour work stoppage by public sector petroleum workers as of today.

CGT threats to launch a battle plan tomorrow unless wage demands are met are also blasted by the presidential delegate for union elections, Hugo Barrionuevo, and Lower House majority leader Cesar Jaroslavsky (Radical-Entre Rios).

"The proposed CGT battle plan is equivalent to a declaration of war on democracy," Jaroslavsky said, adding CGT leaders are motivated by "condemnable" political interests.

Barrionuevo said the country is "not in the right conditions to take on a battle plan," which unified CGT Secretary-General Saul Ubaldini earlier announced might include a 24-or 48-hour general strike. Also just back from the ILO meet, Barrionuevo said that while abroad he was able to speak with Justicialist Party leader Maria Estela Martinez de Peron, who called on Peronist labour leaders to renew their mandates through elections. According to Barrionuevo, the former president said she hoped union men "won't do to President (Raul) Alfonsin what they did to me" and that they "would not be so adamant in their demands."

Casella, who said he would be meeting with unified CGT leaders "within the next few days," for his part played on labour's sympathies by noting that a socio-economic "agreement is the way to organize our community," a phrase often used by late President Juan Domingo Peron. "We either head for an organized community or a battle plan," Casella said.

Finally, wage talks between Cordoba bus drivers and owners failed, with unionists pointing out that an indefinite strike would probably begin by tomorrow.

BRITISH GROUP TO VISIT, SEEK ALFONSIN INTERVIEW

PY220308 Buenos Aires BUENOS AIRES HERALD in English 21 Jun 84 p 9

[By Douglas Tweedale]

[Text] Three British politicians who will visit Argentina for the first time since the 1982 Malvinas war next week will seek an interview with President Raul Alfonsin "to demonstrate to the British public that British representatives can come to Argentina and talk with reasonable people," a spokesman for the visitors said yesterday.

The purpose of the visit by members of the South Atlantic Council -- a political group which lobbies for the resumption of talks between Britain and Argentina -- "is to make the first of what we hope will be many more contacts aimed at finding a long-term solution to the Malvinas dispute," the spokesman told local reporters.

Politicians Cyril Townsend of the Conservative Party, George Foulkes (Labour), and Lord Kennet of the Social Democrat-Liberal Alliance have been officially invited by the Senate Committee for International Parliamentary Relations and are scheduled to be received at the Senate on Tuesday afternoon. Townsend and Foulkes are to arrive Monday morning and Lord Kennet is expected on Tuesday.

The South Atlantic Council was formed in December 1983 "to counter the overwhelming influence of the Falklands Islands Company in Parliament," and its membership includes parliamentarians of all three British parties, academics, and businessmen interested in the resumption of relations between the two countries, the spokesman said.

"This (visit) is a friendly match between people of good intentions," the spokesman said. He added that "our principal objective is to demonstrate to the British public and Parliament that there is goodwill on the Argentine side as well."

"They (the politicians) will make every effort to meet with President Alfonsin or (Foreign Minister Dante) Caputo or (Secretary of State Elsa) Kelly, but it is not crucial to the visit," the spokesman said. "What is important for the British audience is that they not have the door slammed in their faces." He added that the politicians would receive the normal security protection accorded to foreign visitors.

CSSR FOREIGN MINISTER VISITS CHACO PROVINCE

PY231650 Buenos Aires TELAM in Spanish 1216 GMT 23 Jun 84

[Text] Resistencia, 23 Jun (TELAM) -- CSSR Foreign Minister Bohuslav Chnoupek feels that his country could triple its purchases from Argentina, according to the bilateral agreements which are already under way. In a statement to TELAM in Presidencia Roque Saenz Pena, 170 km from Resistencia, Chaco Province, Chnoupek said that the democracy recently established in Argentina is a positive step for the Argentine people.

Chnoupek also announced the establishment of a mutual cooperation agreement by which Chaco Province is to purchase machinery for processing and manufacturing cotton goods, machinery which may be paid for with regional products such as hardwood lumber, hides, and meat.

Chnoupek arrived yesterday afternoon in Resistencia and he immediately moved on to Presidencia Roque Saenz Pena where he was honored by the Czechoslovak community in the area, which is made up by some 5,000 families.

Chnoupek was accompanied by the CSSR ambassador to Argentina, Jan Jurista, and by the Argentine ambassador to the CSSR, Angel Olivieri Lopez. He was also accompanied by several members of his cabinet.

In Presidencia Roque Saenz Pena, Chnoupek was welcomed by the CSSR community members who paid him a homage by feting him at the home of Mrs Gladis Janik, wife of the Radical leader Carlos Janik who died a year ago and who had Czechoslovak ancestors. A peoples' dinner was served at night at the offices of the CSSR community, a dinner in which all the foreign communities in the area participated. Chaco Province Governor Florencio Tenev attended this dinner as a special guest. There were dancing and other cultural events throughout the night. All the communities that make up the foreign settlements in the central Chaco region were represented.

90,000 YOUTHS PROTEST IMF 'PRESSURES'

PY242140 Buenos Aires BUENOS AIRES HERALD in English 23 Jun 84 p 1

[Text] (DYN-NA) -- Over 90,000 supporters of the country's main political youth groups marched through downtown streets and in front of Congress last night to condemn the "pressures by the International Monetary Fund (IMF) and international profit mongers."

Beginning their march from Lavalle and 9 de Julio, waves of Radical, Peronist, Intransigent, Christian Democrat, Communist, and Socialist youth groups made for Avenida de Mayo and then for Congress where a single blue-and-white banner reading "Political Youth Groups" awaited them.

Roving Ambassador Hipolito Solari Yrigoyen and Lower House Majority Leader Cesar Jaroslavsky led the Radical Youth during the evening march, while Senate Majority Leader Vicente Saadi headed the Peronist supporters, who nonetheless kept apart from the Radical grouping.

A small group calling themselves "Montoneros" attempted to lead the Peronist marchers, but after a few scuffles were forced away. Though they tried the same with Intransigent Party backers, they were once again pushed aside. Party leader Oscar Alende led his younger supporters immediately behind the Peronist Youth. Groups made up of communists as well as members of the Movement for Integration and Development and various Socialist parties joined the march as well.

Though the various youth groups continuously changed political slogans, the only one all agreed on was: "Bring the famous IMF here so it can see that our people don't change their ideas, they follow the banners of liberation." At one point persons burned a cardboard coffin bearing the IMF initials and containing a monster looking like Frankenstein. As the coffin burned the crowd shouted: "Don't stop clapping 'cause those Yankee s.o.b.'s have to die."

A statement read to the crowd by Radical Youth leader Rodolfo Escalada blasted the IMF and demanded the foreign debt be paid by the "financial fatherland, the oligarchy, and the multinationals." Issued on behalf of the 10 youth groups making up the Political Youth Movement (MOJUPO), the statement also warned of certain sectors "plotting" against democracy.

Representatives of the eight human rights organizations and various union groupings backed the march.

Youth rallies were held simultaneously in Cordoba and Santa Rosa, La Pampa, where 3,000 and 600 persons gathered.

GOVERNMENT CANCELS PARTICIPATION IN OLYMPICS

PY231921 Madrid EFE in Spanish 0157 GMT 23 Jun 84

[Text] La Paz, 22 Jun (EE) -- Today the Bolivian Government finally decided to cancel the participation of a Bolivian delegation in the Olympic Games to be held in Los Angeles.

This decision was made officially public by the secretary general of sports and youth, Julio Barragan, who stated that the Bolivian absence from the Olympiad is due to discontent of the sports clubs and the Bolivian press on a possible Bolivian presence in the Olympic Games.

A strong opposition grew in Bolivia after some U.S. media joked about the Bolivian participation in the games.

The Bolivian Olympic Committee (COB) decided this week to send a delegation to Los Angeles but the government veto finally overruled that decision.

FURTHER ON COCHABAMBA MILITARY SCHOOL REQUEST

PY221842 La Paz Cadena Panamericana in Spanish 1700 GMT 22 Jun 84

[Text] The Mariscal Andres de Santa Cruz Command and General Staff School and the Mariscal Jose de Vallivian Arms School have asked Defense Minister Manuel Cardenas Mallo and Commander of the Armed Forces General Alfredo Villarroel to come to Cochabamba to officially receive the request asking for the replacement of General Sejas Tordoya.

According to reports from Cochabamba, the request for the replacement of General Sejas Tordoya still stands. The reports indicate that other military garrisons throughout the country reportedly support the request. It was also said that the request for the replacement of General Simon Sejas Tordoya is an institutional matter without political connotations.

The Cochabamba military schools submitted official notes to the defense minister and the Armed Forces commander to come to Cochabamba. They also requested that these officials visit different military garrisons to study the situation.

Commander Orders Investigation

PY221515 La Paz Cadena Panamericana in Spanish 1130 GMT 22 Jun 84

[Text] Army Commander General Simon Sejas Tordoya has disclosed that six military chiefs in Cochabamba will be investigated to discover those responsible for an act of indiscipline at the Cochabamba Command and General Staff School. According to press reports from Cochabamba, students of this school released a document criticizing General Sejas Tordoya and asking that he be relieved from his command. The Army commander said that this was an act of indiscipline in the Armed Forces and that he has ordered, in accordance with Army and administrative personnel regulations, that the six military chiefs appear before his command in La Paz for an investigation. The investigation is aimed at identifying those responsible for this act of indiscipline in order to apply the appropriate sanctions.

Sejas Tordoya recalled that on previous occasions his command reported that former members of the Armed Forces who were separated from their posts for carrying out activities in connection with the enemies of democracy were contacting Army officers. He added that the reports on this case will be evaluated to determine the officers' degree of participation in these contacts and to punish them in accordance with current Army regulations.

Gen Sejas Tordoya also said that unfortunately some media, which call themselves responsible, reported this act of indiscipline to create uncertainty among the population and to make people believe that the crisis affecting various sectors of the population is also affecting the Armed Forces.

The high military command is not officially aware of the document released by the Cochabamba Command and General Staff School which reportedly asked the Army Commander General Simon Sejas Tordoya be relieved of his post. Changes in the Army are carried out in accordance with Army regulations at the end of each year.

It has also been reported that complete normality exists in the military garrisons of the Army, Air Force, and Navy throughout the country. It is possible that the Armed Forces command will make an official statement today regarding the request that General Simon Sejas Tordoya be relieved. Yesterday there was still no official version of the document released by the chiefs and officers of the Cochabamba Command and General Staff School, who based their request for replacing Sejas Tordoya on political reasons.

Siles Supports Commanders

PY231805 F AFP in Spanish 0245 GMT 23 Jun 84

[Text] La Paz, 22 Jun (AFP) -- Reliable sources at Government Palace have reported that Bolivian President Hernan Siles Zuazo has confirmed the High Military Command in their posts thus disregarding a request for the replacement of Army Commander General Simon Sejas Tordoya.

Although the report was not officially confirmed it was disclosed that Armed Forces Commander General Alfredo Villarroel, Army Commander General Simon Sejas Tordoya, Air Force Commander General Oscar Villa Urioste, and Navy Commander Rear Admiral Edwin Vargas will continue in their positions.

The Cochabamba Command and General Staff School asked for the replacement of the Army commander because of his connection with official groups and the delivery of weapons to the Bolivian Labor Federation (COB) during the government of murdered General Juan Jose Torrez (1970-71).

In answer to this report COB leader Juan Lechin Oquendo said that he never received any weapons on that occasion from General Sejas and that there are currently fascist interests in creating problems in the Army to destabilize the democratic process.

Lechin Oquendo recalled that General Torrez' interior minister, Jorge Gallardo Lozade, was the one who delivered the weapons to factory workers to prevent the right groups from coming to power during the coup carried out by General Hugo Banzer Suarez (1971-78).

FORMER INTERIOR MINISTER INDICTED IN GUEVARA CASE

PY210122 Paris AFP in Spanish 2322 GMT 20 Jun 84

[Text] La Paz, 20 Jun (AFP) -- Bolivian Defense Minister Manuel Cardenas Mallo today announced in La Paz that he had contacted the standing military court in order to try former Interior Minister Antonio Arguedas for damage caused to the Armed Forces in 1967 and 1968.

Arguedas served as minister under the late President General Rene Barrientos Ortuno (who died in an airplane accident) and participated in the investigations of the guerrillas which involved the late Che Guevara. Arguedas stated that some time ago he had sent photocopies of the diary of the Argentine-Cuban guerrilla to Fidel Castro. Arguedas also sent Guevara's hands to Castro, they having been amputated when Guevara was detained and killed. Cardenas Mallo explained that Arguedas is responsible for delivering the abovementioned diary to Cuba, taking advantage of General Barrientos' confidence, for which reason Arguedas will be tried.

VICE PRESIDENT PAZ LEAVING FOR SPAIN, PORTUGAL

PY221500 La Paz Cadena Panamericana in Spanish 1130 GMT 22 Jun 84

[Text] The vice president is traveling abroad today. Jaime Paz Zamora is leaving for Spain and Portugal at the invitation of those countries. Paz Zamora tried to make the trip on previous occasions but he was not able to do so due to political problems. He will return to the country on 3 July to head the special session of the National Congress.

TERRORISTS ATTACK STATE BANK IN CHUQUISACA

PY231830 La Paz Cadena Panamericana in Spanish 1700 GMT 23 Jun 84

[Text] A building of the Bolivian State Bank has been attacked. That is right, the branch offices of the Bolivian State Bank in the town of Camargo, North Cinti Province, Chuquisaca Department, was the target of a terrorist attack in the early morning hours of last Sunday according to a report relayed by the Radio Panamericana correspondent in Camargo.

This is the information that we have received from the Radio Panamericana correspondent: [Begin recording] Radio Panamericana reports from Camargo. A terrorist attack has taken place. Early this morning, sometime around 0230, the building of the Bolivian State Bank in this district was the target of a dynamite attack which caused damage to doors and shattered glass in the teller's cage area. Fortunately, this attack claimed no victims. All the citizens are very concerned since this is the first time that a terrorist attack has taken place in Camargo. The citizens are now asking for broad guarantees and the presence of members of the national guard since there is only one law enforcement officer in this district who cannot keep the public order alone. The Bolivian State Bank here, and similar businesses, are in a state of emergency and ask that this action be immediately cleared up. This was a Radio Panamericana report from Camargo. [end recording]

OPPOSITION GOVERNORS ISSUE STATEMENT ON ELECTIONS

PY212101 Rio de Janeiro O GLOBO in Portuguese 20 Jun 84 p 2

["Text" of statement signed by the 10 opposition governors on 19 June in Sao Paulo]

[Text] During a meeting held in Sao Paulo, the PMDB [Brazilian Democratic Mobilization Party] and PDT [Democratic Labor Party] governors analyzed the situation in the country and decided:

I. To reaffirm the historical importance of the direct balloting system for the election of the president of the Republic, and to make every effort, both in Congress and among the people, to obtain the constitutional amendment that will return to the Brazilian people their right to choose their president.

II. To point out that they consider that the sponsoring by the democratic forces of a single candidate, who should guarantee a peaceful transition and the implementation of a program of major changes that the nation calls for, is an essential condition for the approval of the amendment.

III. To suggest that civilians, opposition parties, and the other democratic sectors of the country begin sponsoring a single candidate for president in an election to be held under the direct balloting system. This candidate should implement a basic program.

IV. To suggest that the following issues be included within the basic program, whose main pillars will be morality in the administration and austerity in state business:

1. Immediate restoration of the direct balloting system and constitutional powers for the congress to be elected in 1986.

2. New treatment of the foreign debt in order to reactivate the economy and halt recession.

3. Strengthening of the internal market and implementation of an emergency program against starvation and unemployment.

4. Labor autonomy and elimination of the salary restriction policy.

5. Tax reform in order to strengthen the financial situation of states and municipalities and to have the federal government repay their debts.

6. Access to land ownership, support for the agriculture and livestock sector, and improved living standards for rural areas.

V. To unite behind their single candidate until elections are held by the direct balloting system.

ACTING PDS PRESIDENT RESIGNS, CRISIS WORSENS

PY221806 Sao Paulo Radio Bandeirantes in Portuguese 1555 GMT 22 Jun 84

[Text] The Social Democratic Party [PDS] crisis is worsening. Jorge Bornhausen, acting president of the government party, has also resigned. Reporter Carlos Rodrigues will give further details.

[Begin recording] Three meetings and much confusion are further aggravating the PDS crisis. At about 0600 this morning, Senator Bornhausen, acting PDS president, received in his office Vice President Aureliano Chaves and Senator Marco Maciel, who presented him with a copy of a document for PDS elections to designate a PDS candidate to succeed President Figueiredo. The document is signed by Aureliano Chaves, Marco Maciel, eight governors, and dozens of senators and deputies.

After the meeting, Chaves and Maciel told the press that they will not participate in the PDS convention if the proposal for primary elections is rejected. Shortly afterward, Senator Bornhausen held meetings at the PDS headquarters with other party leaders and resigned from his post when a proposal was presented to postpone until 5 July the national PDS board meeting, scheduled for 25 June, to elect the party president and to decide whether primary elections will be held.

As the uproar subsided, the second PDS vice president, Senator Amaral Pexixoto, became acting PDS president, and he immediately approved the postponement of the meeting to 5 July. This represents another victory of the Maluf group, which further aggravates the disagreements within the government party.

The meeting of the joint commission studying the government amendment proposal for direct elections in 1988 just ended a few minutes ago in the National Congress. This joint commission will meet again this afternoon to hear the opinion of the sponsor of the proposal for direct elections in 1988. This situation strengthens the possibility of Governor Tancredo Neves being the single candidate of the opposition for the presidency of the Republic. With the support of Chaves and Maciel, Tancredo is in a position to defeat the PDS candidate in the Electoral College. [end recording]

'MILITARY SOLUTION' COULD SOLVE ELECTION QUESTION

PY231550 Madrid EFE in Spanish 0241 GMT 23 Jun 84

[By Francisco Figueroa]

[Excerpt] Brasilia, 22 Jun (EFE) -- The sharp political crisis in Brazil, sparked by the election of a new president, may have "a military solution" if an agreement capable of claming the disorderly and bewildering succession process is not reached.

Military sources linked to the top leaders, according to the news agency O ESTADO, said that the Armed Forces could once again place a president in power although the military leaders have expressed their desire to put an end to their involvement in Brazilian politics.

According to the sources, the Army's High Command has four generals on a roster of possible military candidates for president, among them Army Minister Walter Pires, who is regarded as a "very close friend" of Brazilian President Joao Figueiredo. Those generals are on the list because of "the services they rendered to the Army and especially to the 1967 revolution," the source told the news agency.

That "revolution" is the official tag for the coup d'etat which overthrew the constitutional regime of President Joao Goulart and set off a military era of governments headed by generals.

The information on the so-called "military solution" that the Army command is reviewing to clear up the political crisis broke out at a time when the battle for the succession of General Figueiredo is escalating.

PRESIDENT PRAISES REAGAN'S REMARKS TO AMBASSADOR

PY221457 Paris AFP in Spanish 0425 GMT 22 Jun 84

[Text] Santiago, 21 Jun (AFP) -- Regarding the recent remarks of the U.S. President, Chilean President General Augusto Pinochet today said that the Reagan administration has made a great step forward in understanding the Chilean situation.

Pinochet said that he was encouraged by the remarks President Ronald Reagan made during the presentation of credentials by new Chilean Ambassador Hernan Felipe Errazuriz. Reagan said he appreciated the great efforts of our government to create in Chile the economic and political conditions for social coexistence and national dignity.

Pinochet added that the U.S. President expressed his understanding for our difficult situation. He said that Reagan understands the great task for making democracy and a free market economy a reality, recognizing our efforts to achieve it.

Pinochet also said that Reagan offered his support in the face of the economic problems affecting the country and that efforts are being made to resolve them without changing the basis of the model implemented by the government. Pinochet said: We are both convinced that a stable democracy can be built only on the basis of enterprise.

PINOCHET ILL, CANCELS OFFICIAL ACTIVITIES

PY221505 Santiago Domestic Service in Spanish 1100 GMT 22 Jun 84

[Text] The president of the Republic has had to suspend his official activities at La Moneda Palace, because he is suffering from a severe case of influenza. Because of his illness, the head of state was unable to preside over a luncheon with representatives of various sectors. Interior Minister Sergio Onofre Jarpa presided over the meeting on his behalf.

The minister director of the National Planning Office [ODEPLAN], Justice Secretary Mario (Arnello), coordinator of the "Chile to the Future" program, and the directors of some news media were among those who attended the meeting. No communique has been issued on the matters discussed during the meeting.

Recovers From Influenza

PY221914 Santiago Domestic Service in Spanish 1730 GMT 22 Jun 84

[Text] The president is today recovering satisfactorily from his bout of influenza. Due to his illness, the president had to suspend his activities yesterday at La Moneda Palace. The chief of state studied government matters today at his private residence.

According to his agenda, the president was to have presided over the main ceremony commemorating the Day of the Noncommissioned Officer, but Lieutenant General Julio Canessa stood in for the president.

OFFICERS NAMED TO IMPLEMENT STATE OF EMERGENCY

PY221548 Santiago Domestic Service in Spanish 1100 GMT 22 Jun 84

[Text] The state of emergency has been extended for another 90 days. The OFFICIAL GAZETTE has published Interior Ministry Decree No 599 which extends, as of today and for another 90 days, the state of emergency in all regions, provinces, and districts of the country.

The following Armed Forces officers have been appointed to implement the decree: 1st Region, Brigadier General Jorge Dowling Santa Maria; 2d Region, Brigadier General Alfredo Calderon Campuzano; 3d Region, Army Colonel Alejandro Gonzalez (Tamorgo); 4th Region, Army Colonel Hernan Ramirez (Rurand); 5th Region, Army Colonel Renato Aranda Molina; Valparaíso Province and Easter Island, Vice Admiral Sergio Sanchez Luna; Metropolitan Region and San Antonio Province, Major General Rene Vidal Basauri; 6th Region, Army Colonel Eduardo Silva Bravo; 7th Region, Army Colonel (Guido Riquelme Andaur); 8th Region, Brigadier General Eduardo Ibanez (Figuera); Talcahuano Penco, and (Teme) Districts, Rear Admiral Osvaldo (Echarsenberg Fermayer); 9th Region, Army Colonel Miguel Espinoza Guzman; 10th Region, [words indistinct] Air Force Brigadier General Jaime (Lavin Farina); 11th Region, Brigadier General Jaime Gonzales Vergara; and 12th Region, Major General Juan Guillermo Toro Davila.

Article 3 of the decree states that the provisions of Decree No (1320) issued by the Interior Ministry in 1984 concerning news media that emphasize and point out events that disrupt public order and tranquillity will be applied during the state of emergency.

Similarly, the government has renewed restrictions on night traffic and the holding of public political meetings. As for the night traffic restrictions, the pertinent authority reports that traffic is restricted from 0200 to 0500, excluding Saturday and Sunday nights.

Passes that have already been extended will be valid until 27 June and all expired passes must be renewed at the offices established for this purpose.

As regards public political meetings, the decree states that they must all be previously authorized by police headquarters during the state of emergency. Organizations interested in obtaining a permit must make the corresponding request at least 10 days before the meeting.

As regards union organizations, the decree reiterates that they continue to enjoy total freedom within the legal frame work [words indistinct].

The edicts implementing this decree were signed by Major General Rene Vidal, chief of the state of emergency zone of the Metropolitan Region and San Antonio Province.

INTERIOR MINISTRY APPEALS AGAINST EXILES RETURN

PY231835 Santiago Domestic Service in Spanish 1730 GMT 23 Jun 84

[Report from La Moneda Palace by Graciela Contreras]

[Text] Attorney (Berthold Neuman) has reported that the Interior Ministry has appealed the decision of the Court of Appeals which, by two votes to one, approved the appeal made for Jaime Indunza, secretary general of the Popular Democratic Movement (MDP), and Leopoldo Ortega Rodríguez, director of the Chilean Human Rights Commission, reversing the prohibition to return to the country ordered in Government Decrees 4547 and 4542 of 6 and 5 April, respectively. It was explained in La Moneda circles that the Interior Ministry has made an appeal against the decision of the Court of Appeals.

This is all from La Moneda.

Return Announced

PY231900 Santiago Radio Cooperativa in Spanish 1715 GMT 23 Jun 84

[Excerpts] Jaime Insunza and Leopoldo Ortega are returning to Chile on Eastern Airlines. This information was provided by their relatives who talked to them on the phone after the Sixth Court approved an injunction submitted on their behalf. The Popular Democratic Movement, through its executive committee, called on all social and political democratic sectors to go to the airport to welcome Jaime Insunza and Leopoldo Ortega at 1950 tonight.

Exiles Detained

PY240049 Paris AFP in Spanish 0036 GMT 24 Jun 84

[Text] Santiago, 23 Jun (AFP) -- Exiled Chilean communist leaders Jaime Insunza and Leopoldo Ortega were detained tonight at Santiago international airport when they attempted to return to the country from Buenos Aires, according to witnesses. Members of the outlawed Communist Party and of the opposition Popular Democratic Movement (MDP) gathered at Merino Benitez Airport and shouted slogans in favor of the exiles. MDP spokesmen have reported that the two exiles were detained and that the government has not yet announced what it will do with them. The possibility that Insunza and Ortega might be put on board another plane and sent back across the border has not been ruled out.

NAVY COMMISSIONS NEW MISSILE-ARMED DESTROYER

PY230352 Santiago Domestic Service in Spanish 2300 GMT 22 Jun 84

[Text] A new destroyer has been commissioned. This destroyer, the Cochrane, which was recently purchased from the British Navy, was commissioned today in the Chilean Navy during a ceremony held in Great Britain. The Cochrane is the sister ship of the Pratts and will house 33 officers and a crew of 438 seamen. Its weaponry mainly consists of Exocet and [word indistinct] missiles. Its maximum speed is 30 knots per hour. The Cochrane is expected in Chile in September 1984.

UN REPRESENTATIVE DENOUNCES RADIO MOSCOW

PY231242 Santiago Domestic Service in Spanish 2300 GMT 22 Jun 84

[Text] The Chilean representative to the UN has denounced the Radio Moscow campaign against our country. Noelia Miranda, Chilean delegate to the UN Committee for Information, has refuted an utterance of the Soviet delegate. The latter had accused the United States of meddling in Cuban affairs through Radio Marti. The Soviet representative also stated that an attempt was being made to depose Fidel Castro's government through Radio Marti's broadcasts. When she participated in the debate, the Chilean representative, Noelia Miranda, questioned what the Soviet Government seeks from the Chilean Government through its short-wave radio program "Escucha Chile." Miranda said what the Soviet Government seeks is quite clear: the deposing of the Chilean Government. Miranda added that every day the "Escucha Chile" program starts with numerous lies and false statements. Miranda went on to say that that is not the most troublesome feature, since it begins with an open instigation for an armed uprising and for terrorist activities. Miranda stated that she was reporting on this concrete fact so that all the members of the UN Committee for Information could be duly informed. The Chilean journalist stressed that the Soviet Union does not hesitate to denounce at the UN with their left hand what it does elsewhere with its right hand. She also offered to all the members of the UN Committee for Information, transcriptions of Radio Moscow, transcriptions instigating violence, subversion, and terrorism.

STROESSNER WILL NOT VISIT CHILE IN 1984

PY212129 Madrid EFE in Spanish 1528 GMT 21 Jun 84

[Text] Asuncion, 21 Jun (EFE) -- According to official sources in Asuncion, Paraguayan President Alfredo Stroessner does not plan to visit Chile during 1984. The denial was made in view of press reports that originated in Santiago indicating that the Paraguayan president would probably visit the Chilean capital.

Official sources have told EFE that Stroessner has received invitations to visit South Africa, Taiwan, and South Korea, but he has not decided anything yet. Chile was not mentioned. According to the Asuncion government, Paraguay maintains "excellent" relations with Chile.

IAPA OFFICIALS MEET WITH PRESIDENT ON ABC ISSUE

PY231343 Asuncion Red Privada de Teledifusora Paraguaya Television in Spanish 0000 GMT 23 Jun 84

[Text] Constitutional President of the Republic General Alfredo Stroessner at 1030 today received Inter-American Press Association [IAPA] President Horacio Aguirre and IAPA Vice President Edward Seaton at his office and then invited them to hold talks in the adjoining room.

At the end of the meeting Mr Aguirre was interviewed by the media. The following were his statements regarding the meeting held with the presidents:

[Begin recording] [Aguirre] It was a very cordial and interesting meeting during which I, in my capacity as IAPA president, and Edward Seaton, in his capacity as vice president of the IAPA Executive Board and on behalf of other colleagues from the United States and the Spanish-speaking Latin American countries in view of the closing down of the newspaper ABC COLOR. We reiterated the request for the reopening of the newspaper and gave him a letter that confirms, in writing, our request and reports on the IAPA's previous efforts before his government regarding ABC COLOR. The president was very cordial, very pleasant, and told us that this issue has to go through the various institutional channels but that he would take due note of our request. He pointed out, however, that there is a power structure in which various factors, various elements, must be taken into account before a preliminary or future decision is taken regarding this matter, but that they will analyze the case. If I remember correctly, this is more or less what he said. Am I right, Mr Secretary? [Presidential Press Secretary Anibal Fernandez]

[Fernandez] Yes, the president said that he took due note of their request but did not give a specific answer. The president pointed out that since everything in this country is decided through a consultation and since the Supreme Court of Justice has already given its ruling in this regard he would just have to wait. As a consequence the president did not give a positive nor a negative answer.

[Aguirre] We were very pleasantly impressed by the president, who treated us very politely, and I think that my U.S. colleague shares my opinion. He could give you his impression in perfect Spanish. The president was very polite, it was a very interesting experience to exchange points of view with a chief of state like him. [end recording]

Press Conference

PY232335 Asuncion ULTIMA HORA in Spanish 23 Jun 84 p 8

[Text] An IAPA official said last night during a press conference attended by approximately 50 journalists and other people that the IAPA will keep the world informed, through more than 1,000 associated newspapers, of the decisions made by the national government regarding the ABC COLOR matter. Hector Aguirre, head of IAPA, said: "We carry out negotiations, pressure the government, and at the same time make use of our position to keep the world informed of what is happening to a newspaper or to a journalist."

"Our presence in Asuncion is exclusively related to the ABC COLOR case," said the IAPA members during the long press conference in which several spokesmen of the ruling party asked about IAPA activities and about the statements made by this organization about President Stroessner. This was the case of Alejandro Caceres Almada, director of the Voice of the Colorado Party, who identified himself as a "victim." He wanted to know why IAPA kept quiet on the charges made by his organization against ABC COLOR, although he thanked IAPA for its answer delivered yesterday afternoon. He said, however: "I am not satisfied with the answer because it says that I must resort to Paraguayan justice." Caceres Almada also asked what would happen when IAPA studies the case of the Nicaraguan newspaper LA PRENSA, and what kind of answer they would get from Chamorro's brother who lives in Nicaragua and is a Sandinist, and also from Father Cardenal.

The answer was given by LA PRENSA's Pedro Joaquin Chamorro himself who said: "LA PRENSA has not fallen into the hands of the Sandinists; it continues to be a free and independent newspaper and this is precisely why it is heavily censored. Had it fallen into the hands of the Sandinists it would not be censored, it would be a thoroughly controlled newspaper. I do not know what would happen to the cousins and relatives if LA PRENSA is closed and I am not even interested. In life one must respect the right of the self-determination of peoples and individuals, particularly when the individuals are honest and believe in what they are doing."

Raul Kraiselburd, in answer to a question about an IAPA statement on the Paraguayan Government, confirmed the beliefs of his organization on freedom of the press, regretting that the suspension of ABC COLOR was ordered by the executive branch and not the judicial branch.

The IAPA members also said that "obviously we are going to do everything in our power to obtain our goal: the reopening of ABC COLOR which we consider just. We are certainly going to take further steps."

Communique Released

PY232351 Asuncion ULTIMA HORA in Spanish 23 Jun 84 p 8

[Text] Members of the IAPA Executive Board who came to Asuncion to discuss the reopening of ABC COLOR released a communique to report on their activities and explain their organization's thoughts on freedom of the press, specifying that "there are no press crimes." The document says:

"The mission of the IAPA officials who are visiting Paraguay is to ask the Paraguayan Government to reopen ABC COLOR. They have met with the president, the interior minister, the justice minister, church officials, and executives from different press and radio media. During the meetings the IAPA representatives conveyed their belief that respect for the people's rights to diversified information is the basis for the cultural, political, and economic progress of all societies. In order to exercise that right the free circulation of independent newspapers must be guaranteed. The delegates also believe that there are no press crimes although there are crimes committed through the press; therefore, punishment cannot be applied to newspapers but to those who committed crimes through them.

"The IAPA delegation will report to the IAPA General Assembly to be held next October in Los Angeles, California, on the situation, although its members would like to see the suspension of ABC COLOR lifted long before that date. However, in the meantime, IAPA will report to its 1,200 members throughout the continent on the developments taking place."

INTERIOR MINISTRY BANS EDUCATIONAL NEWSPAPER

PY231555 Madrid EFE in Spanish 0003 GMT 23 Jun 84

[Text] Asuncion, 22 Jun (EFE) -- The Paraguayan Interior Ministry has banned the publishing of the newspaper SUPLEMENTO EDUCACIONAL, published by the Gazeta publishing house which owns the closed newspaper ABC COLOR. Alfredo Seiferheld, publisher of the SUPLEMENTO EDUCACIONAL, which has only published three issues, reported that the ban was relayed to him at the Interior Ministry. Interior Ministry officials claimed "reasons of internal security" for banning the publishing of the SUPLEMENTO EDUCACIONAL by the Gazeta publishing house. The SUPLEMENTO EDUCACIONAL material covers school matters and a history of the war between Bolivia and Paraguay between 1932 and 1935.

The Gazeta publishing house today filed on injunction before the courts against the government decision and asked that the ban imposed on the SUPLEMENTO EDUCACIONAL reviewed.

The Interior Ministry a few weeks ago banned the weekly EXTRA DEPORTIVO, which was edited by ABC COLOR journalists and published by the Gazeta publishing house, stating that the weekly, which came out only once, must be edited by specialized journalists and published by another publishing house.

BRIEFS

MEXICAN AMBASSADOR -- President Alfredo Stroessner on June 6 received the credentials of Fernando Flores Tejada, the new Mexican ambassador, during a ceremony held at the presidential office building. [Summary] [Asuncion ULTIMA HORA in Spanish 6 Jun 84 p 10 PY]

PETROLEUM EXPLORATION CONTRACT -- The Paraguayan Government has awarded the Anschutz Corporation, a U.S. company, a contract for the prospection, and exploitation, of petroleum and other hydrocarbons. The contract was signed yesterday at the Public Works and Communications Ministry by Public Works and Communications and Finance Ministers Juan A. Caceres and Cesar Barrientos, representing the government, and by Guillermo Francisco Peroni on behalf of the U.S. company. The area to be prospected covers approximately 3 million hectares, including portions of the Departments of Boqueron and Nueva Asuncion. [Summary] [Asuncion HOY in Spanish 2 Jun 84 P 8 PY]

LARGEST SALARY HIKE IN HISTORY 'UNDER STUDY'

PY221323 Lima Television Service in Spanish 0430 GMT 22 Jun 84

[Excerpt] State employees who have been involved in a wave of strikes must reconsider and return to work. They must not play into the hands of those who only use them to spark disturbances and create problems for the constitutional government.

The government has announced a readjustment which, according to anticipated reports, will benefit mainly low-income workers. Minister Luis Percovich has stated that the increase that is under study will be the largest in the history of the Peruvian employment system.

BANK PRESIDENT ON IMF TERMS, REPAYMENT OF DEBT

PY221200 Paris AFP in Spanish 2150 GMT 20 Jun 84

[Text] Lima, 20 Jun (AFP) -- Richard Webb, president of the Peruvian Central Bank, has stated that this year Peru will not be able to fulfill its fiscal objectives as promised to the IMF and, moreover, that it will be strangled by the interest rates it has to pay on the intolerable foreign debt over the next 5 years.

According to the letter of intent signed with the IMF last February, the Peruvian Government promised, among other things, to increase its fiscal income by improving the tax collection system by creating new taxes and increasing the rates. The IMF approval of the Peruvian letter of intent allowed this country to obtain an IMF credit for \$324.7 million and to renegotiate its foreign debt up to July 1985 for \$2.4 billion with private banks and \$1.046 billion with the Paris Club.

When asked by the Lima newspaper EL COMERCIO about the objectives of the April-June period agreed on with the IMF, Webb answered that according to expenditures already made and that still remain to be made, estimates show that fulfillment of our fiscal goals is out of the question. This implies, he added, that we will have to renegotiate the plan agreed on in February based on new targets in view of the virtual impossibility to fulfill the fiscal objectives that are the IMF's main concern. Webb also pointed out that the prospects for Peruvian exports, which do not surpass \$3 billion per year, are grim. The president of the Peruvian Central Bank said that during the coming 5 years Peru will need between \$9 and \$10 billion to pay the interest rates on the intolerable \$12 billion debt, which places us in a dilemma: Either we pay the interest rates or we grow.

AFP: SHINING PATH MASSACRES PEASANTS IN AYACUCHO

PY212354 Paris AFP in Spanish 1822 GMT 21 Jun 84

[Text] Ayacucho, 21 June (AFP) -- Shining Path terrorists yesterday massacred 19 peasants in the town of Balcon, north of Ayacucho, and were then discovered by security forces who attacked them, causing some casualties. This was officially reported today in Lima.

The massacre of peasants, including children, was perpetrated by some 60 Shining Path members who attacked Balcon, a town in the La Mar Province some 35 kilometers north of Ayacucho, capital of the department bearing the same name and home of the Military Political Command of the Emergency Zone. The extremists were overtaken during the night by security forces who killed an undetermined number of them and captured arms, explosives, and knapsacks.

FOREIGN MINISTRY AIDE ON FERREIRA, DEMOCRATIZATION

PA242013 Bogota Cadena Radial Super in Spanish 1730 GMT 23 Jun 84

[Foreign Ministry official Jose Maria Araneo interviewed by Jesus Garzon Guerrero; date, place not give -- recorded]

[Text] [Garzon Guerrero] Several governments have requested the release of Uruguayan opposition leader Wilson Ferreira Aldunate who was detained in Montevideo 8 days ago when he returned to his country after an 11-year exile in Argentina. What does your government think of these requests?

[Araneo] We view these requests as expressions of a desire. Like any other civilized country, ours recognizes (?a separation) [words indistinct] between the judicial activities and the decisions made by the executive branch. The subject of Mr Ferreira's fate falls within the judicial sphere so the executive branch is not taking any action in connection with his case.

[Garzon Guerrero] Minister, do you mean that the Uruguayan Government seeks to become increasingly unpopular while in the midst of a process of returning to democracy that has become slow and complex?

[Araneo] That, like any other opinion on the popularity of a government, is completely subjective. Some may feel one way and others may feel another. Unquestionably, what is -- happening to governments all over the world is that -- to a lesser or a greater extent the severe economic crisis that currently affects almost all countries becomes a political element of certain (?importance). This reflects on the popularity or unpopularity [words indistinct].

[Garzon Guerrero] How is the democratization process advancing in your country? Has a date been set for transferring power?

[Araneo] The process of democratization is advancing firmly. An election is being programmed for November 1984 and the transfer of power for March 1985, as is the (?constitutional) tradition in my country.

FERREIRA SAID WILLING TO WITHDRAW CANDIDACY

PY222314 Buenos Aires TELAM in Spanish 2008 GMT 22 Jun 84

[Text] Montevideo, 22 Jun (TELAM) -- The National (Blanco) Party leader, Wilson Ferreira Aldunate, made it known that he is willing to give up his presidential candidacy but will only do so provided that liberties are restored in Uruguay. This was made known by Ferreira Aldunate's daughter after she visited him for the first time at the military garrison where he is being detained.

ALCALDE SEEKS STRICTER CONTROL OF ARMS PURCHASES

PA230022 Caracas Radio Rumbos Network in Spanish 2100 GMT 22 Jun 84

[Text] Venezuelan Defense Minister General Humberto Alcalde Alvarez has submitted to Venezuelan President Jaime Lusinchi a bill to establish strict control on the purchase of war materiel for the Venezuelan Armed Forces.

General Alcalde also reported that the tanks that sank a few days ago in Valencia Lake were purchased in 1981. Apparently, this type of equipment runs well, inasmuch as it is used by the German Army.

[Begin recording] [Alcalde] Yesterday, I received a request from the German Defense Ministry asking for authorization to send a technical commission to investigate this accident, since this type of tank, as I have said before, has been used successfully by the German Army.

We will await the results of this investigation, as well as those of the investigation being carried out by a military judge on specific instructions of the ministry.

[Unidentified reporter] As the result of this accident, have the Armed Forces determined to investigate, or rather, examine the operation of the other pieces of equipment purchased?

[Alcalde] Yes, I proposed to President Lusinchi taking several measures to be implemented through a decree in order to exert strict control on the purchase of arms and war materiel for the Armed Forces.

I presented this bill to the president today. I expect to see it made official before my term as defense minister expires on 28 (?June).

[Reporter] What is the content of this decree? What measures or controls do you plan to establish?

[Alcalde] A series of mechanisms that will allow for a better control in the purchase of arms. We still have not talked to.... I have talked to the foreign minister and the Defense Ministry. If President Lusinchi will now sign the decree, as he has promised, this new regulation will be made legal. The control mechanisms are of such a nature that the Armed Forces' purchases are to be handled by a series of supervisory bodies, such as the Armed Forces Superior Council, the joint staff, the Armed Forces comptrollership, the Treasury Ministry, and the cabinet. All this will allow us to screen the purchase of war materiel [words indistinct]. [end recording]

LABOR LEADERS OPPOSE U.S. IMMIGRATION BILL

FL220155 Mexico City NOTIMEX in Spanish 2353 GMT 21 Jun 84

[Text] Mexico City, 21 Jun (NOTIMEX) -- The country's industrialists, labor leaders, and peasants have come out against the Simpson-Mazzoli immigration bill passed yesterday by the U.S. House because they believe it will have serious consequences for Mexico.

According to reports in the Mexico City press, the labor unions, independent peasant organizations, and the Labor Congress are preparing a joint demonstration against the negative effects which the application of the immigration law will have on Mexico. They also said they would study the Undocumented Workers Charter of Rights, which was signed a few months ago and which requested the Governments of Mexico and the United States to avoid the massive expulsion of undocumented workers and the violation of their human rights by the immigration police. The charter also made other requests.

Jacobo Zaidenweber, president of the Confederation of Industrial Chambers (Concamin) said that the Simpson-Mazzoli bill will have serious consequences for the country if thousands of Mexicans working in the United States are deported. The management of the Organized Mexican Industrialists [Industriales Organizados de Mexico] pointed out that the country's productive apparatus is currently not in a condition to immediately absorb the workers returning from the United States.

Mario Hernandez Posadas, leader of the National Peasant Confederation (CNC), pointed out that the U.S. immigration law is discriminatory and harmful to human rights, particularly those of undocumented Mexican farm workers.

EL DIA DESCRIBES PLIGHT OF GUATEMALAN REFUGEES

PA221619 Mexico City EL DIA in Spanish 18 Jun 84 p 2

[By correspondent Heliodoro Moreno]

[Excerpts] Comitán, Chiapas, 17 Jun -- Over a month ago the Mexican Government decided to relocate the Guatemalan refugees who were living on a strip of land in Chiapas on the Guatemalan border, describing the plan as urgent, yet only 2 percent of the people involved in the program (46,000) have been relocated to date.

Extermination Policy Goes Beyond Borders

The Mexican Government reasserted its determination to relocate the Guatemalan refugees who are in the Chiapas area following the events of 30 April 1984, when the Guatemalan Army violated our national territory in order to massacre the refugees. Two hundred heavily armed soldiers attacked El Chupadero on the morning of 30 April 1984, only 24 hours after the Mexican Government publicly confirmed its position toward the Guatemalan refugees and its determination to provide them greater protection.

Guatemala Carbon Copy of U.S. Position

Guatemala is closely following the pattern seen in the U.S. support for Contadora, which is characterized by speeches announcing diplomatic support and simultaneous increasingly aggressive actions.

The day before the raid on El Chupadero, the SIAC news agency released a bulletin announcing that a military-industrial complex will be built in Guatemala with U.S. and Israeli capital and technology. The bulletin also referred to the creation of a 15,000-man military force for the Internal Front, which will be under the command of Colonel Francisco Cifuentes Cano and will carry out an intensive counterinsurgency campaign. William Mercado, a North American military attache, will be the commander of the irregulars in Quetzaltenango, Solola, Escuintla, Sacatepec, and Huehuetenango, the bulletin said.

According to the announcement that was made only a day before the attack on El Chupadero, the so-called San Marcos Plan calls for systematic bombing of guerrilla areas and actions against the refugee camps. These men and these plans directly violate our nation's sovereignty and human rights.

Many of the empty cartridges that were found after the raids were Israeli-made. The military complex is expected to operate mainly in towns on the Mexican border, from which it is supposed to carry out "necessary" incursions into Mexico, as well as maintaining a military cordon to prevent more Guatemalan refugees from entering our country.

The refugees listed the towns that have been taken over by the military. The Guatemalan Government has called these areas model villages but, according to the refugees, they are actually concentration camps for the Indians, who are forced to join the civilian patrol teams to serve as cannon fodder and to murder innocent peasants.

The Guatemalan peasants have fled their country to escape massacre, persecution, abuse, and, in a nutshell, the indescribable campaign of terror being waged in Guatemala's interior, which forces them to leave their lands. Those who have not been able to do so have either moved into strategic villages or are trying to survive in the capital or in less dangerous areas. Over a million Guatemalans face this situation.

NICARAGUA'S GADEA REITERATES POLICY ON BASES

PA241616 Madrid EFE in Spanish 2320 GMT 23 Jun 84

[Text] Mexico City, 23 Jun (EFE) -- Nicaragua will never allow its territory to become the seat of foreign -- U.S. or Soviet -- bases, Sandinist Army Commander Tobias Gadea stated in Mexico. "If somebody helps us, he must not expect anything in return other than the principles of solidarity," Gadea said. He added: "We are willing to die rather than submit to another yoke, such as the one imposed on us for many years by the United States."

The Sandinist commander is in Mexico at the invitation of the "Hands Off Nicaragua Committee." During a press conference he denied that the Soviet Union plans to use his country as a base for communist infiltration.

Tobias Gadea, commander responsible for the northern region of Nicaragua in which groups of anti-Sandinist former Somozist guardsmen are active, said that his country is prepared to repel the aggressions. He explained that Nicaraguans "are not going to respond to warlike provocations from the Hondurans, but they should know that we are prepared for anything that may come because we are not going to allow foreign forces to invade us and attack our sovereignty."

ORTEGA DISCUSSES ILLUECA TRIP, SHLAUDEMAN VISIT

PA230453 Panama City Televisora Nacional in Spanish 2300 GMT 22 Jun 84

[Foreign Minister Oyden Ortega interviewed by unidentified reporter in Panama City on 22 June -- recorded]

[Excerpts] Foreign Minister Oyden Ortega Duran inaugurated the office of the Action Committee for the Economic and Social Development of Central America, CADESCA, this afternoon in a ceremony attended by diplomatic representatives of SELA member countries and other distinguished personalities. Ismael Garcia Medrano, executive secretary of this organization created by SELA in December 1983, stressed the importance of CADESCA's office in Panama.

Following the inauguration ceremony, Foreign Minister Ortega was interviewed on President Illueca's trip to New York tomorrow, as well as on other subjects.

[Begin recording] [Ortega] President Illueca will travel to New York to participate in activities related to the UN General Assembly, which have to do with a subject pending on the agenda of the Assembly inaugurated in September 1983, which must be analyzed during Illueca's chairmanship.

[Reporter] How long will President Illueca stay away from the country?

[Ortega] He will be away for 3 days. He will participate in these meetings in New York for 3 days.

[Reporter] What could you tell us about Harry Shlaudeman's visit?

[Ortega] In our opinion, it was a quick, but fruitful visit. We had an opportunity to meet him last night, and we informed him about the Contadora Group's most recent activities, about our efforts in Central America and at the United Nations, where the Venezuelan foreign minister and I delivered to UN Secretary General Javier Perez de Cuellar a copy of the document we had already delivered to the five Central American presidents. Mr Shlaudeman was very positive and expressed the desire of the Reagan administration that any solution of the Central American conflict be conceived within a regional framework promoted by the Contadora Group. This is very important for us, because we have said that Contadora is in its final phase. The document we delivered is a pre-draft agreement. After receiving the comments from the five governments, we will have a draft for a final agreement, which will be negotiated. We also hope that it will be approved and signed by the Central American governments, thus becoming a peace agreement for Central America.

[Reporter] Does Shlaudeman's visit in Central America and Panama imply that the United States has adopted a different or more favorable position toward the Contadora Group negotiations?

[Ortega] Shaldeman did not visit all the Central American countries; we understand that he only visited Guatemala. However, it was encouraging to see that the U.S. Government's attitude expressed this week has been maintained, which shows support for the Contadora Group negotiations. [end recording]

ILLUECA SENDS MESSAGE TO CARTAGENA MEETING

PA221352 Panama City Televisora Nacional in Spanish 2300 GMT 21 Jun 84

[Text] Panamanian President Jorge Illueca has expressed his sincere wish that the Cartagena economic meeting reach a consensus that will constitute Latin American's contribution to the solution of a world problem that is affecting the rights of all peoples to welfare, security, and peace. The Panamanian president's message was addressed to Colombian Foreign Minister Rodrigo Lloreda Caicedo, who will preside over this important regional meeting of foreign ministers, economy and treasury ministers, and other Latin American delegates.

Dr Illueca's message stresses: We all agree that we must pay what we owe, but we are also hesitant to take on obligations that are not related to the debt itself but are instead the outcome of domestic economic and fiscal policies decided on by the lending countries, which are trying to unload their expenses onto the indebted countries through higher interest rates and other discouraging measures.

The message proposes that arrival at a coherent consensus, without necessarily implying that we are recommending a single uniform program for resolving the problem, is appropriate. The seven paragraph letter also stresses that we all wish to comply with our duties but do not wish to limit the internal expansion of our economies, which would deprive our people of the necessary means of subsistence, education, health, and progressive development.

The message to the Cartagena meeting adds that Panama is paying its debt with some sacrifice, and it is interested, as are all Latin American countries, in a system of payment that will not hinder the social development of those countries.

ILLUECA DEPARTS FOR UN SESSION, VIEWS JACKSON VISIT

PA241724 Panama City Televisora Nacional in Spanish 2300 GMT 23 Jun 84

[Excerpt] Panamanian President Dr Jorge Illueca, also president of the 38th UN General Assembly, left at noon today for New York to handle various issues connected with the UN General Assembly.

At the United Nations, Dr Illueca explained, he will preside over a brief session at which a Latin American country will be elected to occupy one of the vacant seats in the Social and Economic Council that will meet in Geneva on 4 July.

On 26 June, he will also present a report on the various efforts and consultations currently underway to try to set the global activities on international economic cooperation and development in motion.

Before boarding the plane for New York, Dr Illueca referred to various specific issues that might be discussed at the UN Assembly:

[Begin recording] [Unidentified reporter] Will the violations of the agreement between Iran and Iraq be discussed?

[Illueca] This problem is currently being handled by the Security Council, but these Assembly meetings are always used to make informal contracts. All of the countries are very interested in the war between Iran and Iraq because, due to its economic repercussions, it not only greatly affects the area countries, but also the entire world.

As you know, huge amounts of oil used in various parts of the world pass through the Persian Gulf. Therefore, I would say this is a permanent concern.

[Reporter] Mr President, what was the result of your meeting with Rev Jesse Jackson?

[Illueca] Very positive. I think that Rev Jackson is an extraordinary political and spiritual leader. However, the great value of Rev Jackson's presence here in Panama and in Central America is that he has associated himself with the Contadora Group's efforts. He is a magnificent interpreter of the Contadora Group's objectives. His meetings with the regional leaders, especially those connected with the Contadora Group, as well as his visits to Managua and Havana, will help provide U.S. public opinion with more reliable information. [end recording]

REPORTAGE ON VISIT BY JESSE JACKSON

Welcomed by Illueca

PA231738 Panama City Domestic Service in Spanish 1651 GMT 23 Jun 84

[President Jorge Illueca's speech welcoming Jesse Jackson, U.S. presidential candidate, at the Presidential Palace in Panama City -- live]

[Text] Ladies and gentlemen, Rev Jesse Jackson: In the name of the Panamanian Government and people, I wish to publicly express our great pleasure over the visit of this man, named Jesse Jackson, who is a political and spiritual leader of a great nation and who, with his ideals, his sentiments, his spirituality, and his fervor for justice and peace brings us a message of understanding and cordiality between the peoples of the United States and the peoples of Latin America.

His interest in the mission being carried out by the Contadora Group and the way in which he has taken on the task of promoting peace and understanding move us to gratitude. I now that I am interpreting the feelings of all of the Contadora and Latin American nations when I say that these missions of peace, good will, humanitarian feelings, and spiritual cordiality are appreciated in Latin America and impress us much more than physical or economic strength, or unilateral impositions, because Jesse Jackson's task is one of humanitarianism, one of generating consensus and understanding. In our minds and hearts, we see this visit as one of peace and fraternity, which will be of great benefit to the Central American and Latin American peoples.

Welcome, Rev Jesse Jackson. I can tell you that in Panama you are loved, esteemed and admired.

Meets FMLN-FDR Leaders

PA242249 Panama City ACAN in Spanish 2132 GMT 24 Jun 84

[Excerpts] Panama City, 24 Jun (ACAN-EFE) -- Jesse Jackson, candidate for the presidential nomination of the Democratic Party, who has expressed fears that the Central American crisis may break out into a "world conflagration," met here today with a delegation of the Salvadoran guerrillas. Sources close to the black U.S. leader's group told ACAN-EFE that Jackson met this morning with Ruben Zamora, Hector Ogueli, Manuel Martinez, and Jose Mario Lopez, representatives of the FMLN-FDR.

The sources neither revealed the content of the talks between the Democratic candidate and the rebels, nor whether he would mediate between the Salvadoran guerrillas and the government of President Jose Napoleon Duarte. After meeting with Panamanian President Jorge Illueca and Foreign Minister Oyden Ortega, Jackson said at a religious ceremony that "we must recognize the FMLN and the FDR as legitimate political forces, just as the Governments of Mexico and France did."

"We must listen to the rightists and the leftists in order to establish a true dialogue," Jackson pointed out during an ecumenical rite here last night. Jackson expressed his support for the peace efforts of the Contadora Group (Panama, Mexico, Colombia, and Venezuela) and underlined the need "to respect the sovereignty of Nicaragua and stop the guerrilla activities on its borders."

Comments on Guerrillas, Duarte

PA242313 Buenos Aires LATIN in Spanish 2231 GMT 24 Jun 84

[By Rodney Pinder]

[Text] Panama City, 24 Jun (LATIN-REUTER) -- Representatives of the guerrilla forces struggling against the Salvadoran Government said today in Panama City that they are willing to meet with President Jose Napoleon Duarte to discuss a cease-fire.

U.S. Democratic Party presidential candidate Jesse Jackson said that the FMLN and FDR leaders are willing to travel to San Salvador "tomorrow" to meet with Duarte.

Following two meetings with guerrilla representatives in his Panama City hotel, Jackson said at a press conference that Costa Rica had offered its embassy in San Salvador as a venue for the talks.

FMLN leader Ruben Zamora, sitting next to Jackson along with three of his colleagues, said that up until now Duarte has insisted that the guerrillas lay down their weapons before beginning negotiations.

Zamora added: "We say that there has to be a meeting between the two parties before we can agree on a cease-fire."

Zamora continued: "We are in favor of a political and overall solution. Part of that solution is being capable of making arrangements for a cease-fire."

"We are considering this with extreme seriousness and a great sense of responsibility," he said emphatically.

Jackson, who yesterday began a peace mission in four Central American and Caribbean countries, said that the guerrilla leaders "are prepared to meet soon, even tomorrow, with the Salvadoran leadership in San Salvador. The Costa Rican Embassy has been offered as a venue for a meeting of that kind." Jackson, a black civil rights activist who is vying with Gary Hart and Walter Mondale for the presidential nomination of the Democratic Party, urged President Ronald Reagan's government to allow the rebel leaders to go to Washington to explain their position to the U.S. Congress. He added that the rebels hope that the United States will follow "a policy of nonintervention in El Salvador to allow the negotiation process to take place."

Jackson will travel to San Salvador tomorrow to meet with Duarte.

"I hope that President Duarte will have responded to this appeal by tomorrow, and that it will serve as a basis for advancing on the path to dialogue," he said.

"This is a new kind of moral offensive...This should be good news for our Congress and our President..." Jackson said.

"Obviously there is a genuine desire" on the part of the rebels to start conversations, he said.

"I assume that the reason Duarte is welcoming my visit is because he wants peace. I likewise assume that the reason why the FMLN and the FDR met with us today is that they also want peace," he added.

The Reagan administration is supporting Duarte's government in its struggle against the rebels, who reportedly are supported by the USSR, Cuba and Nicaragua. The United States is also supporting the rebels who are fighting against the Sandinist government of Managua. Jackson also said that he hoped that Cuban President Fidel Castro would listen to his request for the liberation of more than 20 alleged political prisoners when they meet on Tuesday. He added that he had been in touch with Cuban officials since yesterday when he arrived here. "Each prisoner released, every action on behalf of peace...is an important step toward the normalization of relations" between Cuba and the United States, he said.

Ardito Barletta Remarks

PA242219 Panama City Domestic Service in Spanish 1825 GMT 24 Jun 84

[Excerpts] At 1800 yesterday Rev Jesse Jackson met for more than an hour with President-elect Nicolas Ardito Barletta. In a statement to this station, Dr Ardito Barletta said:

[Begin Ardito Barletta recording] I think that Mr Jackson wants to dramatize for the United States the importance of seeking peace in Central America and cooperating with the countries of Central America in their development process. The fact that he is visiting Panama first is an important factor, for two reasons. First, because he is an old friend of Panama, having come here to learn about the Panamanian situation within the context of the Torrijos-Carter Treaties and having returned to the United States to support the ratification of those treaties. Second, Panama is one of the prominent members of the Contadora Group, and, therefore, he supports the effort of these Latin American countries -- Panama, Mexico, Colombia, Venezuela -- in their task to help the Central American countries find the path of peace. [end recording]

Regarding the topics discussed with Rev Jackson, Dr Ardito Barletta said:

[Begin Ardito Barletta recording] Well, first of all, we recalled the work of Mr Jackson during the time of the Panama Canal treaties, when he came here and returned to the United States to defend the rights of Panama. Second, we discussed the problems of Central America, the importance and the necessity of pursuing negotiation to secure peace in Central America, and the importance of the Contadora Group in cooperating with the Central Americans in the search for peace. He strongly supports the work of the Contadora Group. Therefore, we talked about the problem of Central America, how to resolve it, and how to get the Contadora Group to help the Central Americans find peace. [end recording]

COSTA RICACONDUCT OF U.S. ENVOY, AID OFFICIALS QUESTIONED

PA222105 San Jose LA NACION in Spanish 18 Jun 84 p 4

[Text] Several members of the executive branch and official party deputies in recent days have expressed dissatisfaction with the attitude of U.S. Ambassador Curtin Winsor and some officials of the Agency for International Development (AID), according to reports received by LA NACION. The information added that the situation has reached a point where possibly this week the diplomat may contact some government officials smooth things out." According to the reports, Winsor even attended a meeting at the presidential palace, although the names of those he met have not been revealed.

The problem appears to have worsened recently as several government party deputies charged that AID representatives in Costa Rica Daniel Chaij and Bastian Schouten have exerted pressure for the Legislative Assembly to approve the amendments to the Currency Law, which includes a change in Article 62 of the Central Bank's organic law that would permit that entity to send to private banks part of the funds received from abroad.

It has also been reported that there has been some discomfort concerning U.S. Embassy Military Attache Colonel Taylor. However, although no further explanation was offered, it was said that the matter was of little importance.

According to the same reports, the government was upset by press statements made on several occasions by Ambassador Winsor. It was said that possibly the diplomat may have tried to say one thing, but that because of his poor knowledge of the Spanish language, his words may not have been properly interpreted by reporters. Nevertheless, it was said, Winsor "should be a little more careful when speaking to the press, particularly on matters related to our internal affairs."

Two of his statements that may have caused some discomfort to the executive branch have been mentioned. One was made last January during a tour of Guanacaste Province, in which he held the National Liberation Party responsible for the nation's future. On that occasion, although he did not deny the information published in LA NACION, he did say he had been misinterpreted.

Later, a few days ago, he said that if the Legislative Assembly failed to approve the amendments to the currency law, the nation would not receive \$200 million from AID. This was taken by some officials as a "not too elegant" expression by a diplomat of "a great country to a small nation."

The relations between some government party deputies and AID officials appear to be even worse. The legislators, including Julio Jurado (San Jose) and Miguel Guillen (Alajuela), constantly accuse the AID officials of bringing pressure on the Legislative Assembly to approve not so much the amendments to the Currency Law as the changes to the Central Bank's organic law.

According to the information, some deputies have asked the executive branch to explain to the U.S. Administration, through Claudio Volio, our ambassador in Washington, the situation of AID in the country. However, no such request has been received by the Foreign Ministry, and a ministry official said that such a request would imply a very serious matter.

LA NACION tried to contact Ambassador Winsor this week to get his viewpoint on the situation. However, it was said that he was out of the capital. There is information, nevertheless, that there will be a meeting in the next few days between the ambassador and some government officials, to clear up any misunderstandings. In fact, it is possible that after such a meeting another may be scheduled with the whole National Liberation parliamentary bloc. The purpose of it would be to "settle the problem internally."

EL SALVADOR

D'AUBUISSON SAID TO DEPART FOR U.S., TO MEET SENATORS

PA232034 San Salvador Radio Cadena YSKL in Spanish 1830 GMT 23 Jun 84

[Raul Beltran report]

[Excerpt] At noon today, the Armed Forces denied reports from the leftist guerrillas to the effect that yesterday afternoon, in armed clashes north of San Francisco Gotero near the town of Yoloaiquin, they inflicted 11 dead and 15 wounded on the Army when they ambushed a convoy that was taking food to the military units participating in various counterinsurgency operations in the north. The rebels maintain that they attacked the convoy with rifle fire after they had placed mines on the highway from San Francisco Gotera to the north, near Yoloaiquin. They say that after the mines exploded, they killed 11 troops and wounded another 15 with rifle fire. The Army claims that a claymore mine exploded near a vehicle that was passing near the place known as the (Las Venturas) turnoff, near Yoloaiquin, and that three soldiers were killed and four injured. The Army thus denied the version circulated by the rebels. The leftists say that they have inflicted 90 casualties on the Army in the offensive that they began 2 weekends ago. The Armed Forces Press Committee merely declined to comment on this report, indicating that this is a part of the guerrillas' propaganda war.

In the capital, spokesmen for the Nationalist Republican Alliance, ARENA, contacted at the party headquarters, have declined to comment on political news reports received from the United States that link ARENA leader Roberto D'Aubuisson to a plot to kill U.S. Ambassador Thomas R. Pickering last May. Meanwhile, it was confirmed this morning that D'Aubuisson left unexpectedly for the United States yesterday afternoon. International contacts have confirmed that the former presidential candidate is indeed already in Miami and that he will travel to Washington on Tuesday afternoon for a meeting early on Wednesday morning at the U.S. Senate, where he will be accompanied by Senator Jesse Helms, one of the major sponsors of the ARENA party and of D'Aubuisson himself in the United States.

So far, it has been impossible to get ARENA leaders to confirm news reports that D'Aubuisson left yesterday afternoon for the United States, accompanied by a commission made up of top ARENA leaders, including influential industrialists and political leaders. The list includes (Willie Doel), (Luis Rafael Meza), (Roberto Murray Meza), (Francisco Guirola) and (Roberto D'Aglio). We repeat that it has been impossible to confirm the names of these travelers with ARENA leaders in El Salvador, because they have decided not to release any information to the press on their activities, particularly on their activities in the United States.

ASSEMBLY VOTES TO EXTEND STATE OF SIEGE

PA231917 San Salvador LA PRENSA GRAFICA in Spanish 22 Jun 84 pp 2, 35

[Text] The state of siege has been extended throughout the country for 30 days beginning 25 June.

All of the deputies approved the extension during yesterday's plenary session. The Nationalist Republican Alliance, ARENA, proposed that the state of siege extension decree eliminate references to Article 7, Paragraph 1 of the Constitution, banning all public gatherings, "which greatly hampers political activity," Deputy Gloria Salguero Gross said.

The cabinet request for the state of siege extension was put to a vote together with ARENA's proposal. The cabinet request was approved by 59 votes, but ARENA's proposal was not, which means public meetings are banned.

CHRISTIAN DEMOCRATS RESPOND TO MNR STATEMENT

PA240436 San Salvador EL MUNDO in Spanish 22 Jun 84 p 35

[Christian Democratic Party "advertisement"]

[Excerpts] The Christian Democratic Party [PDC] feels proud of the victory attained in the 6 May elections that took Jose Napoleon Duarte, leader of the Salvadoran PDC, to the presidency.

Regarding the Revolutionary National Movement, MNR, statement published in the 18 June issue of EL MUNDO, we have to begin by saying that this statement suffers from misinterpretations that tend to minimize the Salvadoran people's efforts to attain a democratic system. For this reason, number and percentages of votes obtained are manipulated, as well as the conditions in which the elections were held, accusations of an imaginary fraud, foreign agencies' actions and money, Ronald Reagan's intervention, etc., etc.

The PDC has identified itself with President Duarte's government regarding progress in respect for human rights, strengthening of democratic institutions, absolute freedom and respect for the next elections, eradication of corruption, elimination of abuses, disappearance of armed violence generated by death squads, as well as state terrorism and the extreme left's armed violence, expansion and implementation of reforms, establishment of clear rules of the game for the operation of all kinds of private, social, state, and mixed enterprises, economic reactivation on the basis of social justice, etc. All of these measures should generate more credibility for the government and consolidate the genuineness of people's support, as well as support from other democratic nations.

To the degree that these advances occur, the leftist sectors will change their minds and abandon their prejudiced, archaic, and simplistic way of looking at the national and Central American reality. Then they will be able to understand the change that has occurred, and is still occurring, in El Salvador. It is sad that extremist forces have put a veil over their eyes and do not want to see the revolutionary transformation process that is taking place in the country. These forces thus risk being left behind by history's train.

The PDC categorically reasserts that the solution to the conflict should not be military, but rather political, and that the party will devote its best efforts to attaining this goal. For this reason, the PDC believes that the real possibility of reunification of the Salvadoran family should not be laid low, nor should it be hampered through strategic and exhibitionist actions and propositions.

The FMLN-FDR proposals for a dialogue were presented on 18 May when Jose Napoleon Duarte had not even assumed office as the new president. It is well worth asking how good Duarte's credibility was in the eyes of these organizations for them to ask for a dialogue openly.

It is there for all to see that the statements of the FMLN-FDR and the MNR are an attempt to elicit hasty and compromising answers from the president. If the answer is 'no,' he would quickly be accused of being a warmonger, an enemy of peace, a Reagan instrument, etc. On the other hand, should the answer be 'yes,' the rightists would react by accusing him of being in collusion with guerrillas and betraying the Armed Forces.

The PDC will never accept foreign military intervention, nor does it want the generalization of war. The PDC wants all the sacrifice, sorrow, and blood of more than 50,000 dead Salvadorans to yield fruit in a new homeland where all Salvadorans can live and thrive together, without any distinctions whatsoever.

For this dialogue to be truly sincere and fruitful, progress has to occur in the democratization, pacification, and economic recovery process, that is, domestic conditions and circumstances have to change. In addition, changes have to occur in the FMLN-FDR stance regarding the Salvadoran situation, the interpretation of facts, and the progress being made toward the acceptance of a democratic, pluralistic, and participative system.

FMLN TO BURN VEHICLES TRAVELING ON ROADS

PA230456 San Salvador EL MUNDO in Spanish 21 Jun 84 p 1

[Text] San Miguel, 21 Jun -- In answer to bus owners' requests to the FMLN leadership that they suspend the order to burn buses, it has been reported that the extremist organization "gave permission to some bus drivers to make trips to some towns in San Miguel Department for several hours today."

It was indicated that Commander "Morena" issued safe-conducts to bus drivers so they would make some trips today to towns in San Miguel, including Sesori and San Luis de la Reina. Nevertheless, FMLN leaders telephoned Radio Chaparrastique last night at 2020 to announce that the guerrillas were yesterday beginning the second phase of the "disrupting of the oligarchic economy supported by the Armed Forces."

The FMLN spokesman said that the FMLN was issuing a last call to the urban and inter-departmental bus owners and owners of private vehicles to refrain from driving on the country's roads "because we will burn all vehicles that are intercepted." The individual, who identified himself as an FMLN spokesman, also said that the struggle will be intensified, especially in the eastern region.

The Army, which was monitoring the FMLN message, announced that Armed Forces units are ready to counteract the guerrillas' actions, and that last night they were intensifying the combing operations and actions to dislodge guerrillas in San Miguel, Morazan, La Union, and Usulután Departments.

Last night, almost at the same time as the telephone call from the FMLN, a group of well-armed guerrillas entered San Carlos, in Morazan, and forced the mayor to open the municipal building, from where they took typewriters, a mimeograph machine, and other articles.

In view of the FMLN announcement, bus owners in this city said they will decide what to do to protect their interests and the lives of their workers. "If there is no security on the roads, we will have to take our vehicles out of service, endure unemployment, and wait for another opportunity to reopen our business."

FMLN 'TEMPORARILY' SUSPENDS TRAFFIC DISRUPTION ORDER

PA240343 (Clandestine) Radio Venceremos in Spanish to El Salvador 0100 GMT 24 Jun 84

[Excerpts] Attention, much attention. We inform all private drivers, all transporters, and bus owners, that the FMLN has temporarily lifted its order to disrupt traffic on the main and secondary roads in the country, since Friday at 1800. We reiterate that sabotage actions will continue on a permanent basis against government vehicles and vehicles owned by large private enterprises.

All FMLN military units have been instructed to this effect. The measure announced by the FMLN on Saturday, 16 June lasted 6 days, during which it was carried out successfully, paralyzing more than half of our national territory and leaving vast regions without electric power. This measure -- carried out within the framework of our campaign "Let Us Expand Sabotage and the People's War Against the Dictatorship's Terror in Rural Areas" showed the FMLN's power, which continues to grow with the revolutionary struggle. In these 6 days of the military campaign, our revolutionary forces have hit and worn out the dictatorship's battalions in areas under our control and have demonstrated the incapacity of the puppet Army to guarantee control over the main roads and the areas and regions that are vital for the millionaire oligarchs.

As a result of the 6 days in which the FMLN paralyzed more than half of our national territory with its decision not to allow traffic on the country's roads, the oligarchic power's war economy suffered more than \$1 million in damage -- more than \$1 million lost, as the news media have confirmed; more than half a million dollars [as heard] that the dictatorship will not be able to use to maintain the Army, the enormous death squad represented by Vides Casanova's Army; more than half a million dollars lost during 6 days of revolutionary activities, which tells the oligarchs and the U.S. puppets that they cannot continue to repress the people, that they cannot continue dropping bombs on villages, killing women and children, and exploiting Salvadoran workers without being punished.

VENCEREMOS RIDICULES CHARGES AGAINST D'AUBUISSON

PA241303 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 24 Jun 84

[Station commentary]

[Excerpts] While D'Aubuisson served the Americans, he was for them an honest and respectable military man. They appointed him chief of intelligence services. They regarded him as the highest leader of Nationalist Republican Alliance [ARENA], which is the oligarch's party. He was appointed president of the Constituent Assembly, and Ambassador Hinton described him as a dynamic man.

Now D'Aubuisson is no longer useful to the Americans. For this reason, his reputation is being soiled. The U.S. Embassy in our country has finally convinced the Salvadoran oligarchy to change its political representative -- D'Aubuisson for Duarte.

Duarte, who had formerly been scorned by the Americans because he was against the installation of dictators such as [former presidents] Molina and Romero, who fit the Americans' plans at the time, is now presented by propaganda as a great democrat able to solve the country's crisis.

D'Aubuisson has been pushed aside in the clumsiest manner. He has now been accused of trying to kill U.S. Ambassador to El Salvador Thomas Pickering and the coming campaign will mean D'Aubuisson's political destruction. The saddest thing for D'Aubuisson is that it is his turn to play the role of useful, scorned fool - a catch phrase D'Aubuisson often used during his television programs.

The charge that D'Aubuisson wanted to murder Pickering is simply a lie, a figment of the Yankees' imagination to eliminate him. Despite its differences with the U.S. Government, the Salvadoran oligarchy never dared to plot against this diplomatic representative of its natural ally who is negotiating and giving the oligarchy vital economic aid by the millions in order to maintain its Army. Rather, D'Aubuisson's crime was to oppose the U.S. plans and -- this is most important -- [words indistinct] CIA, since for CIA agents, informing is paid for with death, whether physically or politically. D'Aubuisson was a policeman and torturer trained by the CIA who committed the great crime of denouncing the plans the CIA developed in El Salvador to make Duarte president.

Most curious and indignant of all and commented on by all of our people is that while much proof was presented that D'Aubuisson planned Msgr Romero's murder, the Americans did not comment and dismissed the matter as unimportant. In addition, when proof of various kinds and from various sources was presented on D'Aubuisson's responsibility in the murder of thousands of Salvadorans through the death squads, the Americans did not comment and again dismissed the matter as unimportant. Now, the Americans want to get rid of D'Aubuisson simply because he is no longer useful to them. For this reason, they have invented a plot against the U.S. ambassador.

There are other puppets who, like Jose Napoleon Duarte, would do well to take notice of this counsel and look in D'Aubuisson's mirror or that of General Roberto Garcia. When they no longer served U.S. interests, they were put in a corner and forgotten. Now Napoleon Duarte is having a honeymoon with the Americans. Let him remember that he was once the black sheep and that this term as president has begun with an evil omen. Let Duarte get ready because eventually, when sour setbacks and failures (?displace) him, the Americans and their current ambassador to El Salvador will exchange him for another model and put him in the same corner with criminals Garcia and D'Aubuisson.

GUATEMALA

MEJIA SPEAKS ON ELECTIONS, ASSEMBLY'S POWERS

PA222231 Guatemala City Domestic Service in Spanish 1715 GMT 21 Jun 84

[Head of State General Oscar Humberto Mejia Victores "message to the nation" from Presidential Palace in Guatemala City -- live or recorded]

[Excerpts] On 8 August 1983, in my first message to the nation, I offered a broad opening and political pluralism, and the beginning of a democratic process that will culminate with the turning over of power to whomever the Guatemalans freely elect without any type of coercion or pressure. The promise that I made on behalf and in representation of the Army is being strictly kept.

We have respected the autonomy and independence of the Supreme Electoral Tribunal, which was given the means it required to undertake, in the shortest time possible, the complex and delicate task of registering the voters. We have consulted with the various political sectors on the diverse aspects related to the Registration Law and the Electoral and Political Parties Law.

After listening to their respective observations, we took into account all those reasonable suggestions that would expedite and facilitate the process of the registration of parties and civic committees and simplify the electoral aspects.

We agreed to have the parties register with just 4,000 members, and we accepted the suggestion about adopting a mixed system of elections that would permit the election of constituent assembly deputies from district and national lists. We ratified the electoral timetable approved in consultation with the various sectors, and it is being meticulously fulfilled.

From the beginning, we lifted the state of emergency, we abolished the special courts, and we have maintained absolute freedom of the press. Each and every party and civic committee has had full guarantees to carry out its campaign without any type of limitations. Precisely to safeguard this, the government created the necessary conditions and strengthened the framework of security. It has also kept the amnesty law in effect, which has effectively contributed to the effort for national reconciliation.

In the election, we guarantee the most absolute impartiality on the part of the civilian and military authorities, who have strict orders to refrain from any partisan activity. They have been warned that those who try to do so will be dismissed and penalized in accordance with the law. On approaching the election on 1 July, when the first phase of the democratization process concludes, we want to stress and emphasize to the Guatemalan people the following:

The national constituent assembly has been convoked solely and exclusively to promulgate the constitution of the republic and the following constitutional laws: electoral, habeas corpus, and constitutional laws. In other words, its powers have been strictly defined and delimited. Therefore, we reiterate and reaffirm once more that no one has the right to interpret at will or to distort what is very clearly established by the law.

Let it be well understood that we are dutybound to enforce and apply the existing laws, so we will adopt all measures deemed appropriate to protect the Guatemalan people's rights and to prevent the prevalence of sectarian political interests that seek access to power behind the people's backs. Therefore, we issue a call for prudence and patriotism on the part of all political sectors that are participating in this process, so they will act responsibly and not frustrate the hopes that all Guatemalans have placed in them.

Guatemala is experiencing a historic moment. Each and every one of us must contribute to the consolidation of this first step toward democratic institutionalization. Never before, in accordance with the Guatemalan constitutional tradition and with the most characteristic political doctrines of the democratic system, have the national constituent assemblies had powers that transcend the mandate for which they were elected.

The recent experience in some countries shows the negative and dangerous situation that is brought about when some elements illegitimately confer upon themselves powers that do not belong to them.

As soon as the national constituent assembly promulgates the constitution and the previously mentioned laws, I, as head of state, will call elections for president, congressional deputies, and municipal authorities.

All citizens can rest assured that the Guatemalan Army will know how to respond as it should, and that it will not disappoint them.

Fellow citizens: My direct contact with the Guatemalan reality through my visits to all communities of the Republic, the talks I have held with the country's representative authorities, and listening to the various opinion sectors have permitted me to learn the desires of the Guatemalans and what they hope from the men and women who are elected as deputies to the national constituent assembly.

It has hoped that the deputies, with a high spirit of patriotism and civic responsibility, without personal or group interests and without any kind of sectarianism, will fully devote themselves to the delicate task of drafting the new constitution within a reasonable and prudent period.

Once again I urge the leaders and members of the political parties and civic committees to campaign with dignity and respect. The dialogue that they have opened with the Guatemalan people should enable the people to thoroughly know their views and to correctly interpret them. That is why they must act prudently and reject the ignoble weapons of distribute, insult, slander, or mockery. The Guatemalan citizen must have sufficient facts to objectively analyze the options with which he is presented and, after thinking about them, to make his decision and cast his vote for whomever he feels can best interpret his ideals and aspirations.

In conclusion, I issue a call to all Guatemalan voters so that they will go to the polls on 1 July with full freedom, strengthening the democratic system with their vote, thus showing once again to people here and abroad that we Guatemalans can decide our own destiny and turn today's hope into a lasting reality. Thank you very much.

Andrade on Mejia Speech

PA230333 Guatemala City EL GRAFICO in Spanish 22 Jun 84 p 8

[Text] Guatemala City, 21 Jun -- Foreign Relations Minister Fernando Andrade Diaz-Duran told newsmen this morning that General Oscar Humberto Mejia Victores' speech was self-explanatory and was delivered in clear and precise language that should cause no misunderstanding.

The newsmen asked Andrade about the possibility of dissolving the constituent assembly in case it did not follow the government's guidelines. His reply was that Gen Mejia Victores' speech was very clear, and that the political groups should know what rights they will receive from the people on 1 July.

Andrade was approached by newsmen because he is a member of Mejia Victores' cabinet, and he regularly acts as spokesman for the head of state and the government. However, on this occasion, he was reluctant to give categorical answers.

According to newsmen, Mejia Victores' speech ignored the proposal for the appointment of a provisional president submitted by Asisclo Valladares Molina, Populist Party leader and candidate for the constituent assembly.

Since Gen Mejia Victores did not mention the issue of a provisional president and referred to the constituent assembly in general terms, the newsmen thought they could obtain a statement from Foreign Minister Andrade, who in a very polite and diplomatic manner also evaded the issue.

HONDURASGOVERNMENT APPROVES CONTENT OF CONTADORA DOCUMENT

PA230440 Rome IPS in Spanish 0401 GMT 23 Jun 84

[Excerpts] Tegucigalpa, 22 Jun (IPS) -- The Honduran Government today announced its approval of the content of the "Contadora Document for Peace and Cooperation in Central America." A Foreign Secretariat communique indicated that the government of President Roberto Suazo Cordova accepts the document "as a text that will serve as a basis for negotiation of the overall agreement to achieve regional peace." In its reply today, the Honduran Administration urged the other governments of the area to promote holding a meeting of the technical group made up of the deputy foreign ministers and high-ranking representatives of the nine countries involved in the peace process soon. "The Contadora Document for Peace and Cooperation in Central America" constitutes, in the opinion of President Suazo Cordova, a significant and valuable efforts of the Contadora Group to promote the signing of treaty for the maintenance of peace in this strife-torn region.

DEAD SANDINIST SOLDIERS, PRISONERS RELEASED

PA230315 Rome IPS in Spanish 2330 GMT 22 Jun 84

[Text] Tegucigalpa, 22 Jun (IPS) -- During a simple ceremony at the border post of La Fraternidad, Honduras today turned over to Nicaragua the bodies of three dead Sandinist soldiers and two prisoners, following a confusing incident that took place on 19 June.

Juan Alberto Lara, chief clerk of the Honduran Foreign Secretariat, turned over to Commander Javier Pichardo the bodies of the dead Sandinist soldiers and the two prisoners.

The civilian official reaffirmed the Honduran version that the Nicaraguan soldiers were part of a column that on 19 June entered 3 km into Honduran territory through the border sector of Duyusupo, in southern Choluteca Department. "The contingent was planning to attack the local Honduran military post, but an 11th Infantry Battalion patrol intercepted it and a clash ensued, lasting 8 hours," Lara said, reading an official communique. The toll of this clash was three dead and two prisoners: border guard Marvin Pinel Barquero and militia member Basilio Casco Vallejos, both of whom were equipped with AK-47 rifles.

According to the Honduran Foreign Secretariat, that same day approximately 100 members of the Sandinist People's Army, EPS, entered Honduran territory near the village of Concepcion de Maria, also in Choluteca Department. Government sources in this capital pointed out that the Honduran Government did not report casualties in either case.

Meanwhile, Commander Pichardo said in La Fraternidad that the five soldiers were reported missing after a clash waged in the zone of Los Araditos, 2 km from the border. Pichardo countered the Honduran version by stressing that "the clash did not take place between troops of the two countries; it was against an anti-Sandinist rebel group." The incident, the commander pointed out, took place in Nicaraguan territory, and "we were surprised to learn that the Honduran Government had captured our men."

The ceremony took place at 1230 local time (1830 GMT) at the border post, which has been semiparalyzed ever since relations between the two countries cooled. Attendance by military officials was minimal, and the three dead Sandinists were turned over in wooden coffins. The two prisoners were not allowed to give any statement to the news media. On 8 May Honduras received the bodies of 8 crewmembers from an Air Force helicopter that had been shot down by a Sandinist anti-aircraft battery in Punta Condega, a short distance from the Gulf of Fonseca.

NICARAGUA

FSLN MESSAGE ON U.S. POLICY, COUNTERREVOLUTION

PA242053 Managua Domestic Service in Spanish 2247 GMT 23 Jun 84

[FSLN National Directorate message read by Interior Minister Tomas Borge Martinez at ceremony commemorating birth of Carlos Fonseca; place not given -- live]

[Excerpts] Carlos Fonseca foresaw that the victorious revolution would give rise to a struggle as a result of inevitable and necessary contradictions, a struggle that is very similar to the one that we are currently facing in the mountains, cities, and consciences. The war is the most concrete form of this struggle being waged in Nicaragua. Its command post is located in the United States. It is there that the military, political, and ideological levels of the war are designed. The executors of the imperialist orders are the former members of the Somozist Guard and various political, religious, business, and union sectors of our country. This statement must be demonstrated through facts. Let us examine the facts.

Even before taking office, U.S. President Reagan designed his action plan for Latin America through the so-called Santa Fe Document. Since May 1980, future U.S. Administration policies on Nicaragua have been outlined. What some naively thought was an electoral maneuver became the delusive U.S. foreign policy. That document, which (?summarized) what Reagan's foreign policy would be, referred to the Torrijos government in Panama as an extreme leftist dictatorship, brutally aggressive [words indistinct], to quote the document's exact words. In their apocalyptic view of the Latin American reality, they reached the extreme of condemning Ecuadoran President Roldos' policy in defense of human rights. The tragic deaths of Torrijos and Roldos must not have been surprising within the spirit of that document. It is not that we are suspicious; but, logic is [word indistinct]. Isn't what they call U.S. national security the most important thing to them? As they view it, any nationalist and anti-imperialist government is a threat. Any political leader who is suspected of being a progressive is an obstacle in the uniquely arrogant eyes of U.S. foreign policy.

The famous Santa Fe Document also maintains that the theology of liberation must be fought. The document indicates that U.S. foreign policy must begin to counteract rather than to react against the theology of liberation used by the clergy linked to that theology. In other words, it grants the right to act against a sector of the church that is not even in the United States but in Latin America. Therefore, they arrogate the right to act against the progressive sector of the church in countries that [words indistinct]. Mr Reagan's neocolonialism finds its religious expression in the Institute on Religion and Democracy [Instituto sobre Religion y Democracia], a U.S. organization that leads the offensive against progressive churches in the United States and Latin America. The political propaganda of this organization is aimed at -- I quote the Institute on Religion and Democracy -- "strengthening the legitimacy of the Catholic Church in Nicaragua as a central opposition power to Sandinism." This is the same institute that paid tribute to a high-ranking prelate of the Nicaraguan church in Washington.

How can anyone deny the political role being played by a sector of the church hierarchy in Nicaragua? No great effort is needed to recognize the great similarity between the Reagan government's statements and the Nicaraguan Catholic leadership's political statements.

One of the (?concerns) of the U.S. Army is the development of methods of struggle against revolutions, naturally Third World revolutions. For this purpose, they prepare manuals of struggle against the revolutionary movements. We have found such manuals in the files of the National Guard. One of these U.S. Army manuals entitled "Guide for the Planning of Counterinsurgency" specifies the role of various official institutions, among them the Agency for International Development, AID, in the counterrevolutionary activities in many countries. In other words, AID is an institution of the U.S. Government that, in turn, is a government carrying out a war against Nicaragua. Why have I said all of this? For a reason. This same U.S. organization, AID, finances the Managua archdiocese.

Since 1981, the Managua archdiocese, through its Archdiocese Social Promotion Commission, COPROSA, has received thousands upon thousands of dollars from the U.S. Government Agency for social promotion activities. Is it doing so to help Nicaragua's poor? Is it that the U.S. Administration's and Mr Reagan's hearts have been moved and they have decided to make up for their crimes by financing community development programs through the Managua archdiocese? Is it that the Reagan government is filled with love for Nicaragua's poor? Or is it that perhaps, as various documents say, the political activities of the Managua archdiocese coincide with the U.S. plans to destroy our revolution? That is my question. Who has any doubts that the army that is attacking us is a Somozist and mercenary army paid for by the U.S. Government? Who doubts this? Its members have been best described by Congressman Thomas O'Neill, leader of the Democratic Party in the U.S. House of Representatives, who called them tramps, murderers, and rapists. Democrat O'Neill's view of President Reagan's policy on Nicaragua was even more categorical when he said: This is a war that Reagan cherishes in his heart.

President Reagan, on being questioned by some congressmen regarding his warmongering policy in Nicaragua, answered that he did not want to oust the Sandinists, but to create social and economic unrest in the population. Counterrevolutionary leader Adolfo Calero [Nicaraguan Democratic Force, FDN, leader] recently used a similar line of reasoning to explain the nature of the latest terrorist actions. Father Amado Pena [church official accused of counterrevolutionary acts], who also represents a line of political action, follows the same reasoning.

There is, therefore, total harmony among Reagan, the FDN, and the rightists in this country. But, in order to avoid the (?false) interpretations usually made by the rightists and their [words indistinct], we have to say that we are not accusing the rightist parties of carrying out military activities. Nor do we want to limit their political activities. We are simply specifying the true nature of their activities and the ties that link these parties to the empire [United States] and its armed branch, the FDN.

But there is still more. Who can believe that the coincidence among U.S. special envoy Richard Stone, the Episcopal Conference, [words indistinct], the rightist parties, and LA PRENSA newspaper is accidental, when they have asked for a national dialogue that is to include the FDN Somozists?

Reagan is demanding the unity of the armed counterrevolution under the FDN's Somozist guards. Reagan is demanding the unity of the parties that he, LA PRENSA, and all conferences [conferencias] have described as democratic -- the unity of armed counter-revolutionaries under a single military leadership.

Reagan is also demanding the unity of the rightist parties and the armed counterrevolution under a single political and ideological leadership, under a single strategic banner.

In sociological terms, there has been a division of labor in their social, political, and military actions against the Nicaraguan revolution. Their goal, however, is the same: to put an end forever to our hope for a new life through the Nicaraguan revolution. The Kissinger commission was also of the opinion that the counterrevolutionaries should participate in elections. The ghost of blackmail is present in every one of the current U.S. Administration's stances.

We, more than anyone, have insisted on the need to hold a dialogue with the United States. Political figures throughout the world can testify to our efforts.

However, all our efforts to date have proved unsuccessful. Nevertheless, it is our duty, because of our tradition, to continue insisting on a dialogue. The answer we were expecting came recently with Secretary of State Shultz's visit. We had some favorable signs. We will do everything we can to prevent the failure of these talks about to be held.

There are, however, some aspects to be considered so as not to entertain false hopes. In the first place, it will not be we who will present some doubts and suspicions, but we will let some distinguished U.S. politicians and news media do it. An AFP report dated in Washington on 9 June said the following: AFP -- While declaring that it is willing to continue talks with Nicaragua, the U.S. Government does not seem willing to make any concession in its policy regarding Nicaragua, the U.S. press disclosed yesterday.

THE WASHINGTON POST and THE NEW YORK TIMES, after mentioning a surprise visit to Managua last Friday [as heard], reported that U.S. Secretary of State George Shultz said that his meeting with Nicaraguan Junta Coordinator Daniel Ortega did not constitute a new initiative or a change in the U.S. policy for Central America.

In addition, THE NEW YORK TIMES said in a front-page article that Shultz's efforts will not prevent the Ronald Reagan government from continuing to ask Congress for additional aid for the counterrevolutionaries who fight on the Nicaraguan border.

This is what reports from Washington say. One day after the Shultz-Ortega meeting, White House spokesman Larry Speakes declared that the meeting was not a new initiative or a change in the U.S. policy for Central America.

Do these meetings mean a change in U.S. policy, we ask? Or is it just a publicity stunt aimed at getting votes in the coming U.S. presidential elections? The course of the talks in coming days will reveal the truth.

During his speech on U.S. television on 9 May, we noticed a considerable change in President Reagan's words. He assumed a different stand when he addressed the U.S. Congress asking for financial aid for the Salvadoran Government and the counterrevolutionary army. He was [words indistinct] and not demanding. He asked for understanding for his policy toward Central America. His words were moderate, but he maintained his aggressive policy against Nicaragua. Words are one thing, actions are something else.

Speaking of words being one thing and actions something else, some members of the church sector opposed to the revolution have gone from ideological questioning to the area of specific military actions. Regarding the case of the Catholic priest Luis Amado Pena, from the beginning we stated that we thought that it was an individual action. However, Father Pena tried to beautifully cover up his activities by arguing that it [the charge against him] was an action against the Catholic Church. Some of the hierarchy of the Nicaraguan church have said the same thing. In view of the fact that this was the first case of an extensively proven conspiratorial and terrorist activity by a Nicaraguan Catholic priest, we decided to act with prudence.

However, the response to our attitude has been the preparation and release of what Father Pena calls an affidavit that tries to cast doubts on the irrefutable proof we have issued on his participation in the preparation of terrorist plans. Precisely to prevent an erroneous interpretation and to once again show the spirit of understanding that we seek with the members of the Episcopal Conference, we went to its president and subsequently to the Managua archbishop to tell them the facts in the case, so as to proceed in accordance with the principles of the Nicaraguan laws, at the same time bearing in mind the principles of the Catholic Church. We proposed that they take him to the nunciature, but they did not accept this. We proposed that he be temporarily relieved of his regular functions, but they did not accept this. We proposed that Father Pena assume a careful attitude, but they did not accept this. We proposed that it be publicly stated that the church disapproves of such actions by its members, but they did not accept this. We told them that in accordance with what we believed, we would handle this situation as an isolated and individual case, but that the church should adopt a prudent and careful attitude. They did not accept this. What they did was to release a communique accusing the revolution of persecuting the church, neglecting to criticize any member of the church who with his hatred, offenses, and conspiratorial activity is attacking the revolution. They finally agreed that he would remain in the seminary, but with the right to visit his parish in Bello Horizonte twice a week. We were therefore forced to demand with authority that as long as the judicial procedures are under way, Father Pena must remain inside the seminary.

With proof, irrefutable evidence, and prisoners' statements, we proceeded to act within the framework of revolutionary legality to prevent the outbreak of terror like the kind Father Pena sought. What is the objective behind all this? That we imprison Father Pena? That we expel him from the country? They sought to complete the actions to misguide, confuse, deceive, and distort our people's view about the revolution's attitude toward the church. They sought to make propaganda abroad, to say that we persecute the church. We have never said that this is a conspiracy by the church. We are not the ones who hold this view. Moreover, we have done everything possible to show that Pena's participation is an isolated case. Others are the ones who have done everything possible to show just the opposite. We consider that this is the first time that a priest has been actively involved in acts of this nature. Nevertheless, we are forced to continue the process, even though we maintain our decision to permit Father Pena to remain free. We were informed today that Father Pena has requested the renewal of his passport, which we agreed to. We are under the impression that the situation is developing in such a way that Managua's curia is trying to take steps to overcome this difficult situation, which in our opinion is a positive effort. The Nicaraguan bishops have every right to voice their opinion on this case. But it is good to mention that Father Pena is free not because of a decision of Managua's Catholic hierarchy, but because the revolution so decided. [applause] The revolution can pardon Father Pena. It is not the first time that this revolution has granted a pardon, but those who will acquit or convict Father Pena will be the revolution's people's tribunals. [sentence as heard] [applause] We hope that this experience will serve as a lesson for all, for the revolution and for the church hierarchy. We hope it will serve to improve our relations, to prevent useless confrontations so that between the church and the revolutionary government truth and respect will always prevail. With these thoughts, we consider this particular case to be closed politically.

NEGOTIATIONS WITH U.S. TO BEGIN IN MEXICO

Speculation on Site

PA230431 Managua Domestic Service in Spanish 0300 GMT 23 Jun 84

[Text] Mexico City -- The place for a possible meeting between Harry Shlaudeman, U.S. special ambassador for Central America, and Victor Hugo Tinoco, Nicaraguan deputy foreign minister, is yet to be established. An ACAN-EFE report said it is rumored that these talks will take place in Mexico City, although there is no official report on this. A report coming from Washington points out that the meeting will take place in Mexico City, in a private and confidential way, as requested by the United States.

The story that the United States and Nicaragua will hold its second round of talks in this capital was categorically denied today by Deputy Commander (Tobias Gadea), of the Nicaraguan Interior Ministry. Deputy Commander (Gadea), who is in Mexico City to attend the world premiere of the film "Nicaragua, the Northern Frontier," said that the revolutionary government has faithfully complied with the rules established for a dialogue with the U.S. Administration, especially discretion regarding its details.

Mexico To 'Mediate'

PA250036 Buenos Aires LATIN in Spanish 0009 GMT 25 Jun 84

[By Agustín Fuentes]

[Excerpt] Managua, 24 Jun (LATIN-REUTER) -- A ranking official said here today that Nicaragua and the United States will begin talks tomorrow in Mexico to try to resolve their differences. The official, a member of the nine-man directorate of the ruling FSLN, said that a Mexican Government representative would mediate in the talks, which will be held at the Manzanillo beach resort, on the Pacific Ocean. The official, who asked to remain anonymous, said that Nicaragua's representative to the talks, Deputy Foreign Minister Victor Hugo Tinoco, was leaving Managua today for Mexico. The official added that Harry Shlaudeman, the U.S. special envoy to Central America, would represent Washington at the talks. A U.S. Embassy spokesman in Mexico City said that he could neither confirm nor deny the report. "If such a meeting were to be held, we would prefer to keep it out of the media limelight," he added. A spokesman for the Mexican foreign Secretariat said that she had no information on the talks.

BAYARDO ARCE COMMENTS ON TALKS WITH U.S.

PA230352 Managua Domestic Service in Spanish 0300 GMT 23 Jun 84

[Text] Commander of the Revolution Bayardo Arce, coordinator of the FSLN's Political Commission, said today in Madrid that Nicaragua will not start a dialogue with the United States as long as the Reagan administration continues in its hostile attitude the Sandinist people's revolution. During a telephone interview granted from Madrid to our news director Luis Cabrera, the Nicaraguan revolutionary leader emphasized that we cannot agree to start the talks as long as the United States does not prove its serious intentions.

The Nicaraguan delegation, presided over by Commander Arce Castano, is carrying out a tour through several countries to report to friendly West European governments and parties the situation that prevails in Nicaragua, and to issue a call for solidarity to counter the U.S. aggression.

The FSLN National Directorate member mentioned President Ronald Reagan's request for \$28 million for covert actions against the Nicaraguan people, and said this would not favor a negotiation. During the interview, Commander Arce Castano termed positive Costa Rican President Luis Alberto Monge's initiative during his European tour to hold a summit of Central American foreign ministers and their EEC counterparts. He added that we should seek the means so that Europe may effectively contribute to resolving problems that prevail in the region.

SERGIO RAMIREZ COMMENTS ON FOREIGN DEBT

PA250203 Managua International Service in Spanish 0000 GMT 25 Jun 84

[Text] Dr Sergio Ramirez Mercado, member of the Nicaraguan Government junta, said here today that Nicaragua will pay its foreign debt to the degree that its financial capacity permits. The Nicaraguan leader, opening a seminar organized by Nicaraguan financial entities, underlined that in addition to the economic crisis inherited from the Somozist dictatorship, the aggression of the U.S. Administration has created further financial problems for the revolutionary process.

Despite the imperialist actions, the Sandinist revolution has nationalized the banks, the insurance companies, and foreign trade, which are the foundations of what should be a great economic future for Nicaragua, Ramirez Mercado noted.

The highest priority of the Sandinist revolution at this time is the defense of the revolution's advances and meeting the basic nutritional needs of the population, Ramirez added, speaking to a group of financial experts who today opened a symposium in Managua to discuss ways to improve banking activities in the country.

Further Ramirez Remarks

PA250356 Paris AFP in Spanish 2329 GMT 24 Jun 84

[Text] Managua, 24 Jun (AFP) -- Sergio Ramirez, a member of the Sandinist junta, today said that Nicaragua would comply with its foreign debt commitments only "to the degree that it will not affect the national defense needs."

Speaking to a group of executives of the Nicaraguan financial system, Ramirez noted that under the present circumstances "the service on the foreign debt represents an unacceptable burden on the Nicaraguan economy. We are going to pay, but to the degree that it will not impose irrational sacrifices," Ramirez added, and warned that "if we are to choose between basic supply or payment of the external debt, we will favor the first."

The Sandinist leader stressed that Nicaragua will meet its commitments "to the degree that our possibilities allow and whenever we decide that we can do so." Ramirez did not mention the amount of the commitments the Sandinist government must meet in this respect, which in any case consumes a substantial portion of the national revenue, which last year hardly reached \$450 million.

Ramirez pointed out that international cooperation continues to be the key that permits the Nicaraguan Government "to make its strategic investments and even face many of the national needs."

The junta member insisted that the main priority of the country at this time is "to consolidate the defense." "We are engaged in the unpostponable task of achieving our economic development without interference, but to do that it is necessary to consolidate the revolutionary power," he stated. Ramirez recalled that the anti-Sandinist groups have caused damage and losses to the nation's economy of approximately \$250 million.

He noted that another priority task of the Sandinist government is to fight scarcity and speculation on basic articles, for which the marketing of eight basic products will be nationalized.

Finally, Ramirez commented that the Sandinist government is compelled to respond "militarily and politically to the counterrevolution," and that it has therefore pinpointed certain areas to give them special attention.

RADIO IMPACTO: 'MOBS' DISRUPT FATHER PENA MASS

PA240054 San Jose Radio Impacto in Spanish 1830 GMT 23 Jun 84

[Text] The Pio X Bello Horizonte Church of Managua and surrounding areas experienced scenes of deep anguish and religious fervor Thursday night.

On the occasion of the Corpus Christi religious celebration, Father Luis Amado Pena -- the new victim of the Sandinist campaign against the Nicaraguan Catholic Church -- was about to officiate a mass at this church at 1700. When the church was crowded with people who had arrived with music and gifts to attend the mass and (?express their support) for Father Pena over the slanderous attacks he has suffered in the past few days, a group of approximately 1,000 people of the so-called Sandinist mobs arrived at the church on buses of the Sandinist government. They gathered around the church and began to burn garbage and dry leaves, which sent large amounts of smoke into the church building. The people inside the church -- the majority of them women -- had to come out of the building in order not to get choked. The mobs followed them for more than 4 blocks, insulting them and in some cases hitting them. In dramatic scenes, many people were seen crying on the streets, some of them kneeling to pray and begging Tomas Borge's mobs not to insult them or hurt them.

Meanwhile, protected by his friends [words indistinct] Father Luis Amado Pena remained hiding inside the church for more than 4 hours. At about 2100, he left the building accompanied by his friends and was driven to a secure place in a car parked nearby.

At the same time, at the Espirito Santo Church in Managua -- also directed by Father Luis Amado Pena -- thousands of churchmembers waited in vain for the priest with serenades and gifts, since they also wanted to express their support for him, in view of the accusations that have been made against him, and since, coincidentally, it was his birthday. Father Pena was expected to officiate mass at the Espirito Santo Church at 1900, but this was impossible, since he was not even able to officiate the 1700 mass at the Pio X Church, due to the fury of the Sandinist mobs trained to harass and terrify, their victims in this case being Catholic Church members who on Thursday, with religious fervor, wanted to participate in the Corpus Christi religious celebrations.

The same mobs, before arriving and occupying the church, once again threw stones at the facilities of Managua's independent daily LA PRENSA.

According to reports from Managua, people commented that never before had they seen anything like Thursday night's incidents, when people ran, cried, and prayed on the streets, trying to control the fury of the Sandinist mobs.

EPS DEPUTY COMMANDER REPORTS 110 CONTRA CASUALTIES

PA222326 Managua BARRICADA in Spanish 19 Jun 84 p 1

[Text] Nueva Guinea, central Zelaya (correspondent report) -- Deputy Commander Irwin Davila reported last weekend that members of the Sandinist People's Army [EPS] 63d Brigade inflicted 110 casualties on and recovered 78 weapons of various types from the CIA's mercenary forces led by the traitor [Eden Pastora] from May to the present.

Davila, who is the EPS military chief of this zone of operations, also reported that counterfeit dollar bills have been found in the pockets of the dead counter-revolutionaries, and that this is yet another way that peasants recruited by the Somoquist guards are being deceived. Peasants have been promised salaries and other "benefits."

Davila also said that he learned through statements by various peasants that the contras have reached the height of their mocking of the people's simplicity by offering the peasants "medals" to be presented by them "when they triumph" in their struggle against the Sandinists.

The number of casualties inflicted on the counterrevolutionaries during this period reflects the EPS soldiers' high combativeness, strategic training, and high morale. Many of these soldiers are serving their Patriotic Military Service here, the commander noted.

Officers in this operational zone estimate that counterrevolutionary casualties are much more numerous than those discovered so far, and say that the Yankees' intervention in attacks launched to sow terror among the peasants has become obvious with the capture of sophisticated arms of the Yankee army, such as the M-16 rifle with grenade launcher attached. Other arms taken include Chinese AK rifles, SKS-M-14 [not further identified], an M-60 machine gun, as well as a good quantity of packs.

RODRIGUEZ PRAISES SOVIET OFFER OF AID

PA220426 Havana International Service in Spanish 0000 GMT 21 Jun 84

[Text] Carlos Rafael Rodriguez, vice president of the Cuban Councils of State and Ministers, has asserted in Moscow that the aid offered by the Soviet Union to our country allows it to march with greater assurance on the road to the edification of socialism. Carlos Rafael Rodriguez led the Cuban delegation to the ordinary meeting of the Soviet-Cuban Inter-Government Commission for Scientific-Technical Cooperation that concluded on Wednesday in Moscow.

CEMA LEADERS TO HOLD OCTOBER MEETING IN HAVANA

AU221443 Warsaw TRYBUNA LUDU in Polish 20 Jun 84 p 1

[Text] Havana, PAP -- C.R. Rodriguez, vice president of the Cuban Councils of State and Ministers, who is currently chairman of the CEMA Executive Committee, announced that the council's next summit session for heads of governments will take place in Havana in October 1984.

FURTHER REPORTAGE ON VISIT OF SWAPO'S NUJOMA

Nujoma on Namibia, Angola

FL221140 Havana Domestic Service in Spanish 1045 GMT 22 Jun 84

[Text] Sam Nujoma, president of the South-West African People's Organization [SWAPO], has rapped the Reagan administration's attempts to link Namibia's independence with the presence of Cuban troops in Angola. The statement was made by the African leader during a press conference held in Havana.

Nujoma said the presence of Cuban troops in Angola only concerns two sovereign countries which has nothing to do with the independence of Namibia, illegally occupied by troops of the racist Pretoria regime. He stressed that SWAPO fully supports Cuba's solidarity and rejects U.S. and South Africa's attempts to blame Cuba and Angola for the unfulfillment of UN resolutions. The Namibian patriots, Nujoma said, struggle not only against South African racists, but also against Yankee imperialism which supports the Zionists in the Middle East and dictatorial regimes in Central America.

In conclusion, the SWAPO president said the racists had used chemical and bacteriological arms against the Namibian patriots, as U.S. aggressors did in the dirty Vietnamese adventure. Yesterday afternoon Nujoma visited the African and Middle East Studies Center in Havana. Upon arrival at the institution, he was met by Armando Entralgo, director of the institution, who briefed him on the objectives and structure of the center. The SWAPO president chatted with researchers and officials at the center. During the talks, the indestructible ties of friendship uniting that country's combatants and our people were discussed.

Meets With Rodriguez

FL230049 Havana Television Service in Spanish 0000 GMT 23 Jun 84

[Text] Carlos Rafael Rodriguez, member of the Politburo and vice president of the Councils of State and Ministers, this afternoon received Sam Nujoma, president of SWAPO [South-West African People's Organization], who is here at the invitation of Commander in Chief Fidel Castro.

During the meeting they discussed various aspects of the situation in southern Africa and the struggle that SWAPO is carrying out. At the meeting, the Cuban people's solidarity with the Namibian people in their heroic struggle for independence and against the shameful regime of apartheid was expressed.

Visits Isle of Youth

PA250239 Havana International Service in Spanish 0000 GMT 25 Jun 84

[Text] Sam Nujoma, president of the South West African People's Organization [SWAPO], has visited the Isle of Youth and toured centers of interest in this special municipality of Cuba.

Sam Nujoma was taken to the House of Friendship With the Peoples in Nueva Gerona, where he received a detailed explanation of the socioeconomic development and other plans of the Isle of Youth. The students and teachers of the Namibian students school gave Nujoma a warm welcome.

Meets With Fidel Castro

FL251140 Havana Domestic Service in Spanish 1045 GMT 25 Jun 84

[Text] Commander in Chief Fidel Castro, first secretary of the party Central Committee and president of the Councils of States and Ministers, has received Sam Nujoma, who is visiting our country at the invitation of Comrade Fidel. During the meeting, which occurred in a fraternal and warm atmosphere, Sam Nujoma reported on the dangerous situation that has been created in southern Africa by the aggressive policies of the South African racists and U.S. imperialists in the region, which is aimed at maintaining the illegal occupation of Namibia and the destabilization of the independent nations in the area.

Nujoma provided extensive information on the heroic struggle for liberation by the Namibian people, under the direction of SWAPO [South-West African People's Organization], their only legitimate representative organization, for national independence and the end of the shameful regime of apartheid. SWAPO chief Nujoma reaffirmed that the solution to the Namibian case must be based on the application of UN Security Council Resolution No 433.

Commander in Chief Fidel reiterated to the Namibian leader the firm solidarity of the Cuban people with the Namibian patriots' struggle for liberation until independence is won, as is expressed in the Cuban-Angolan declaration of 19 March 1984.

REFUGEES LEAVE VENEZUELAN EMBASSY; PRISONER FREED

PA240359 Havana International Service in Spanish 0000 GMT 24 Jun 84

[Text] All the persons who have been in the Venezuelan Embassy in Havana for several years will have left the embassy of their own free will by next Monday, with the exception of a 60-year-old man who refuses to leave.

The Cuban Government issued an official note after the first group left the Venezuelan Embassy, explaining that the problem was solved after the Venezuelan diplomatic mission and the Cuban authorities had reached an agreement.

Meanwhile, Venezuelan charge d'affaires Romulo Nucete, confirmed that the first group had left for their respective homes.

The next group will be comprised of Pedro Berguides, Ignacio Delgado, Osvaldo Gonzalez, and Amado Gonzalez. They will leave the embassy this Monday. They can go back to work if they want, or make legal arrangements to leave the country.

Jorge Vals, the Cuban counterrevolutionary released from prison on 8 May after serving a 20-year sentence in Cuba, will leave for Caracas on Saturday afternoon, Venezuelan charge d'affaires Romulo Nucete reported.

SPANISH SAVINGS BANKS PRESIDENT DEPARTS

FL221146 Havana Television Service in Spanish 1102 GMT 22 Jun 84

[Text] Before leaving Cuba, (Jose Sanchos Draunda) president of the Spanish Confederation of Savings Banks, said: I am leaving Cuba with the best possible impression and am confident that we will continue our mutual cooperation in activities related to savings.

U.S. OFFICIALS SAY CUBA THREAT TO SECURITY

PA250048 Havana International Service in Spanish 1600 GMT 24 Jun 84

[Text] John F. Lehman, U.S. secretary of the Navy, has said that the alleged subversion in Central America led by the USSR, Cuba, and Nicaragua is the most threatening security issue facing the United States right now. Speaking at a yearly strategy seminar held at a naval base in Newport, Rhode Island, Lehman made the ridiculous charge that Cuban naval units pose a threat to U.S. stability.

Vice Admiral James Lyons, deputy chief of naval operations, said at this seminar that the United States could be obliged to put a stop to what he called Cuban infiltration in the continent. In line with a recent anti-Cuban resolution passed by the U.S. Senate, the military chief stated that the brutal invasion of the small island of Grenada and the clash with the brave Cuban construction workers point to the start of a new era for the United States after the period of inaction that followed the Vietnam war.

A junior officer participating in the seminar stated that the use of force against Cuba could be achieved by involving Cuba in a regional conflict, which would require a forceful reaction from Washington.

Recently, the PRENSA LATINA news agency reported that the Cuban people are prepared to repel a direct U.S. invasion and to inflict on the enemy a higher number of casualties than the U.S. Army suffered during World War II.

U.S. 'HUNTING DOWN' SPANISH-SPEAKING PEOPLE

FL231826 Havana Television Service in Spanish 1700 GMT 23 Jun 84

[Text] The discriminatory Simpson-Mazzoli immigration bill passed in the United States affects some 6 million Latin American residents in that country, where authorities have begun hunting down Spanish-speaking people who do not have the proper immigration documents. Among those most affected by the law are Mexican residents, who represent nearly half of those harmed by the law. In Mexico, a huge demonstration is being organized against the legislation, which has been repudiated in political and press circles in various Latin American countries as well as in the United States.

JESSE JACKSON ARRIVES IN PANAMA ON START OF TOUR

PA232130 Havana International Service in Spanish 1600 GMT 23 Jun 84

[Text] Reverend Jesse Jackson, a U.S. Democratic Party presidential hopeful, arrived in Panama today, thus initiating a tour that will also include El Salvador, Nicaragua, and Cuba. In Panama City, Jackson will meet with Panamanian President Jorge Illueca, Foreign Minister Oyden Ortega, President-elect Nicolas Ardito Barletta, and patriotic Salvadoran leaders.

On Monday, Jesse Jackson will go to El Salvador, from where he will travel to Cuba on the same day. Jackson will conclude his tour in Nicaragua. The Democratic Party presidential candidate will be welcomed by the Nicaraguan people and government on his arrival in Managua next Wednesday.

EL SALVADOR'S D'AUBUISSON ACCUSED IN PLOT

PA242330 Havana International Service in Spanish 1800 GMT 24 Jun 84

[Text] A high-ranking U.S. official has disclosed that there is enough evidence to involve Salvadoran rightist leader Roberto D'Aubuisson in a plot to assassinate Thomas Pickering, U.S. ambassador to El Salvador, whom D'Aubuisson has accused of providing financial aid to the electoral campaign of Christian Democratic leader Jose Napoleon Duarte, who by the way won the 6 May Salvadoran presidential elections. The same U.S. official said that the evidence against D'Aubuisson and his henchman is circumstantial, but that there are clear indications of a plan to eliminate ambassador Pickering. The date and method of the plan to be carried out were unknown.

FMLN ACTIONS, U.S. AID FOR EL SALVADOR NOTED

A222111 Havana International Service in Spanish 1600 GMT 22 Jun 84

[Text] Rebel FMLN detachments have completely paralyzed all traffic in the eastern zone of El Salvador. It has been learned that in the last few hours they burned 12 vehicles that violated the instructions given by that guerrilla organization against traveling on the Pan-American Highway. So far some 114 transport vehicles have been either damaged or destroyed by the fire of the patriots' weapons.

Meanwhile, the rebels clashed with the government troops on the road leading from the capital of San Vicente Department to Tecoluca, near Negro Bridge. Near Santo Domingo, an urban center of San Vicente Department, the tyranny's troops sustained seven casualties during clashes that took place on a stretch of road between San Sebastian and San Vicente. It has also been learned that a U.S. Senate subcommittee has approved the granting of \$117 million in supplementary aid for El Salvador this year. The commission on budget allocations for foreign operations has also approved \$132 million in aid for El Salvador for the fiscal year that starts in October. The \$117 million will be added to the \$62 million in credits that the two houses of Congress have already approved for the present fiscal year in an effort to prop up the genocidal Salvadoran dictatorship.

NEW GUERRILLA OFFENSIVES REPORTED IN EAST

PA250210 Havana International Service in Spanish 1600 GMT 24 Jun 84

[Text] News reports from El Salvador state that during the first 7 days of the new guerrilla offensive in the eastern part of that country, the regime forces have suffered more than 70 casualties in Morazan Department alone. The reports indicate that the main clashes in that Department have taken place in the (El Jable), Joateca, and Corinto areas, where the rebels have inflicted great losses on the government's elite forces, which are conducting an unsuccessful operation in the region.

Clashes were also reported on Saturday in San Carlos, located 3 km from San Francisco Gotera, capital city of Morazan Department. At the same time, the Salvadoran patriots are maintaining tight control over the Pan-American and Coastal Highways and the eastern sectors of the Military Road, as part of the rebel offensive called "Let Us Expand Sabotage and the People's War Against the Dictatorship's Terror in Rural Areas."

Meanwhile, the Salvadoran tyranny's Air Force is escalating its massive bombings in the rural areas, causing a great number of civilian victims among the residents of the areas under FMLN control.

COMMENTARY CITES FDR'S UNGO ON NEGOTIATION

PA230343 Havana International Service in Spanish 2310 GMT 22 Jun 84

["Our America" commentary]

[Excerpts] The large-scale counterinsurgency mobilization carried out by the Salvadoran Army ever since Jose Napoleon Duarte took over leadership of the regime has become a serious setback for the dictatorship. Almost 8,000 soldiers, mostly specialized troops, were deployed to some 10 departments in the eastern and northern zones of El Salvador, but the FMLN forces have made the counterinsurgency campaign fail.

Since the beginning of the FMLN offensive "Let Us Expand Sabotage and the People's War Against the Dictatorship's Terror in Rural Areas," the FMLN forces have caused the enemy more than 100 casualties, among which are dozens of deaths.

The increased revolutionary actions confirm the FMLN's capacity to continue and intensify the struggle as a response to the demand of Jose Napoleon Duarte's government that the rebels lay down their arms as a condition to initiate a dialogue.

FDR President Guillermo Ungo has once again invited the Salvadoran president to sit down and negotiate in order to seek peace formulas for the country. In a communique issued on behalf of the Salvadoran revolutionary movement, Ungo stressed that there is not much time to listen or talk, or many months to wait for a change in attitude. Deeds speak louder than words, he added.

After warning about the dangers of a regionalization of the conflict, and of a massive foreign armed intervention, the FDR reaffirmed the urgency of reconstructing the country on pluralistic, genuinely national bases, in a context of social justice. Ungo stressed that the modification of the Salvadoran power structure is an unavoidable historical challenge for the fatherland's present and future, and he reiterated that the crises that the country is facing can only be solved through deep economic, social, and political reforms.

NICARAGUAN PRIEST ACCUSED OF ANTIGOVERNMENT ACTS

PA230434 Havana International Service in Spanish 0000 GMT 23 Jun 84

[By Luis Cabrera]

[Excerpt] Despite the conclusive evidence on Father Amado Pena's participation in counterrevolutionary activities, the Nicaraguan Catholic Church directors have assumed an attitude of trying to hurt the Sandinist people's revolution by denying what the Nicaraguan people saw and heard on television.

On several occasions Father Pena, who was in charge of a parish in Managua, met with an alleged leader of the FDN [Nicaraguan Democratic Force] to carry out counterrevolutionary activities.

The Nicaraguan people and also local and foreign newsmen saw a videotape in which Father Pena said that what Nicaragua needs is more firearms to do away with the leaders of the revolutionary process.

The State Security has consolidated its position in 5 years, thanks to the good job done by the Sandinist Defense Committees, the eyes and ears of the Sandinist people's revolution. The State Security did an excellent job in obtaining the videotape that shows Father Pena receiving arms and explosives from the leader of the internal front of the counterrevolution.

NICARAGUAN MINISTER SAYS U.S. SUBSIDIZES CHURCH

PA250039 Havana International Service in Spanish 1600 GMT 24 Jun 84

[Text] In Managua, Commander Tomas Borge, Nicaraguan interior minister, has charged that there are similarities between the political viewpoints of U.S. President Ronald Reagan and those of the Nicaraguan Catholic Church hierarchy. In a speech during the commemoration of fallen national hero Carlos Fonseca Amador's 48th birthday, Borge said that the Agency for International Development, a U.S. Government agency, subsidizes the Managua archdiocese.

The Sandinist leader said that the so-called Santa Fe Paper, which serves as a guideline for current U.S. policies, states that the archdiocese's political activities coincide with the U.S. objective of destroying the Nicaraguan revolution. The Nicaraguan Episcopal Conference is engaging in politics through its pastoral letters, and not only supports but actually is at the forefront of political activities, Borge said. He pointed out the similarities in the way that the Higher Council of Private Enterprise, the church hierarchy, the right-wing parties, and the opposition newspaper LA PRENSA, all attack the revolutionary process.

Borge announced that in the next few days the United States and Nicaragua will begin talks to improve the tense relations between the two countries, but urged people not to create false hopes around them.

ALPHA-66 IMPLICATED IN BUENDIA MURDER

PA220438 Havana International Service in Spanish 0000 GMT 22 Jun 84

[Text] Mexican authorities are investigating the possible participation of Alpha-66, a Cuban counterrevolutionary organization, in the death of distinguished Mexican journalist Manuel Buendia. Buendia, well-known for his attacks on the CIA, U.S. Central Intelligence Agency, and fascist organizations, was shot to death last 30 May in Mexico City.

EXCELSIOR, the newspaper which carried Buendia's column 'Private Network,' said that the paramilitary Alpha-66 has been named as a suspect because toward the end of 1982 the group threatened to murder Buendia and some of his colleagues through letters that are now in the hands of the Mexican Federal Security Directorate.

REPORT ON ACTIONS OF CARTAGENA DEBT MEETING

FL221914 Havana Domestic Service in Spanish 1805 GMT 22 Jun 84

[Text] The Cartagena, Colombia, conference on Latin America's foreign debt progressed today toward the conclusion of a series of agreements, which will make up the first manifestations of joint action by the region's debtor nations.

The foreign ministers and ministers of economy of the 11 countries attending the meeting approved a Cartagena proposal, which was set forth in the opening ceremony by Colombian President Belisario Betancur. The proposal includes plans for collective action, a reaffirmation of willingness to pay foreign debts, and a voluntary commitment that any country that needs to do so should seek individual arrangements with its creditors.

Participants in the Cartagena meeting are trying to find an acceptable solution to Latin America's enormous foreign debt.